

***Government that Works!***

**NEW JERSEY DEPARTMENT OF THE TREASURY**

**LOCAL GOVERNMENT BUDGET REVIEW**

**JEFFERSON TOWNSHIP**

**DONALD T. DiFRANCESCO**  
*Acting Governor*

**PETER R. LAWRENCE**  
*Acting State Treasurer*

**NOVEMBER, 2001**



## **GOVERNMENT THAT WORKS**

### **OPPORTUNITIES FOR CHANGE**

#### ***The Report of the Jefferson Township***

New Jerseyans deserve the best government their tax dollars can provide. Efficiency in government and a common sense approach to the way government does business, both at the state and at the local level, are important to Acting Governor Donald T. DiFrancesco. It means taxpayers should get a dollar's worth of service for every dollar they send to government, whether it goes to Trenton, their local town hall or school board. Government on all levels must stop thinking that money is the solution to their problems and start examining how they spend the money they now have. It is time for government to do something different.

Of major concern is the rising cost of local government. There is no doubt that local government costs and the property taxes that pay for them have been rising steadily over the past decade. The Local Government Budget Review (LGBR) program was created in 1994 by former Governor Whitman, marking the first time the state worked as closely with towns to examine what is behind those costs. The Local Government Budget Review (LGBR) program's mission is simple: to help local governments and school boards find savings and efficiencies without compromising the delivery of services to the public.

The LGBR program utilizes an innovative approach combining the expertise of professionals, primarily from the Departments of Treasury, Community Affairs and Education, with team leaders who are experienced local government managers. In effect, it gives local governments a comprehensive management review and consulting service provided by the state at no cost to them. To find those "cost drivers" in local government, teams review all aspects of local government operation, looking for ways to improve efficiency and reduce costs.

In addition, teams also document those state regulations and mandates which place burdens on local governments without value-added benefits and suggest, on behalf of local officials, which ones should be modified or eliminated. Teams also look for "best practices" and innovative ideas that deserve recognition and that other communities may want to emulate.

Based upon the dramatic success of the program and the number of requests for review services, in July, 1997, the program was expanded, tripling the number of teams in an effort to reach more communities and school districts. The ultimate goal is to provide assistance to local government that results in meaningful property tax relief to the citizens of New Jersey.

## **THE REVIEW PROCESS**

In order for a town, county or school district to participate in the Local Government Budget Review program, a majority of the elected officials must request the help of the review team through a resolution. There is a practical reason for this: to participate, the governing body must agree to make all personnel and records available to the review team, and agree to an open public presentation and discussion of the review team's findings and recommendations.

As part of each review, team members interview each elected official, as well as, employees, appointees, members of the public, contractors and any other appropriate individuals. The review teams examine current collective bargaining agreements, audit reports, public offering statements, annual financial statements, the municipal code and independent reports and recommendations previously developed for the governmental entities, and other relative information. The review team physically visits and observes the work procedures and operations throughout the governmental entity to observe employees in the performance of their duties.

In general, the review team received full cooperation and assistance of all employees and elected officials. That cooperation and assistance was testament to the willingness, on the part of most, to embrace recommendations for change. Those officials and employees who remain skeptical of the need for change or improvement will present a significant challenge for those committed to embracing the recommendations outlined in this report.

Where possible, the potential financial impact of an issue or recommendation is provided in this report. The recommendations do not all have a direct or immediate impact on the budget or the tax rate. In particular, the productivity enhancement values identified in this report do not necessarily reflect actual cash dollars to the municipality, but do represent the cost of the entity's current operations and an opportunity to define the value of improving upon such operations. The estimates have been developed in an effort to provide the entity an indication of the potential magnitude of each issue and the savings, productivity enhancement, or cost to the community. We recognize that all of these recommendations cannot be accomplished immediately and that some of the savings will occur only in the first year. Many of these suggestions will require negotiations through the collective bargaining process. We believe, however, that these estimates are conservative and achievable.

**LOCAL GOVERNMENT BUDGET REVIEW  
EXECUTIVE SUMMARY  
JEFFERSON TOWNSHIP**

**Township Clerk**

The team recommends that the township eliminate the assistant deputy clerk/comptroller position, saving \$5,795.

The township should consider gradually increasing the liquor license fees to the maximum permissible by law, yielding a revenue enhancement of \$2,550.

**Health Insurance**

The team recommends that the township negotiate a 20% co-payment for premium health coverage, potentially saving \$52,600. The team also recommends that the township attempt to promote the less expensive managed care programs through health fairs, for an additional potential savings of \$1,500.

The township should consider negotiating to eliminate life insurance coverage for PBA members, potentially saving \$1,600.

**Budget**

By anticipating fees from leaf bag sales as revenue in the next municipal budget, the township could yield a revenue enhancement of \$6,000.

**Purchasing**

By utilizing the state's cost-per-copy contract, the township could save approximately \$1,952.

The team recommends that the township consider eliminating cellular telephones for all township employees, with the exception of the police and fire departments, saving \$2,520. The team also recommends that the township eliminate the use of directory assistance, \*69 and Call 54 for an additional savings of \$1,977.

**Tax Assessment**

The township should consider purchasing computer equipment and necessary software to improve productivity, at a one-time expense of \$12,000 for the equipment and an annual expense of \$1,200.

**Police**

The team recommends that the township eliminate five patrol positions from its current complement of 23, including the academy officer, saving \$208,435.

**Municipal Court**

The team recommends that the township upgrade one of the clerk positions to a deputy in order to provide court night coverage, at an expense of \$3,000.

The township should consider eliminating social security, Medicare and health benefits for the part-time judge, saving \$8,857.

### **Fire**

The team recommends that the fire department reduce the overall fleet by two pumpers, selling the two oldest pumpers, yielding a one-time revenue enhancement of \$60,000. The township would also yield a one-time cost saving of \$600,000, as the cost to replace the oldest pumpers.

### **Fire Prevention Bureau**

The township and the fire department should consider hiring a full-time fire official, at an annual expense of \$41,000.

The team recommends that the township enforce its ordinance regarding non-life hazard uses and begin registration and inspection procedures, yielding a revenue enhancement of \$16,150. The township could yield an additional revenue enhancement of \$11,639 by registering and inspecting all life hazard uses.

### **Public Works**

By contracting its street sweeping services to another municipality, the township could yield a revenue enhancement of \$5,000.

The team recommends that the township and the board of education consider merging fleet maintenance operations, which could allow for the reduction of one mechanic, saving \$38,000.

The team also recommends that the township invest in a fleet maintenance software program, at a one-time expense of \$2,500.

### **Planning and Zoning**

The township should consider establishing policies and procedures for estimating the developers' fair share, yielding a revenue enhancement of \$112,500.

### **Construction and Housing Inspection**

The team recommends that the township evaluate the code enforcement officer position and consider redistributing the handling of complaints to the township administrator's office and other appropriate departments. By eliminating this position, the township could save \$18,720.

The township should consider charging for zoning permits, yielding a revenue enhancement of \$7,475.

### **Water and Sewer**

By eliminating scheduled weekend overtime for water/sewer repairmen and integrate weekend cover into a regular workweek, the township could save approximately \$8,241 in overtime rates.

The township should consider consolidating or transferring the utility billing and collection to the tax collection office, saving \$45,000.

The team recommends that the township require all homes and businesses within the service area to connect to the public water systems, yielding a revenue enhancement of \$500,000 - \$600,000.

### **Health Department**

The team recommends that the township hire a private vendor with proper sanitarian licenses and experience to investigate and respond to septic issues and complaints, at an annual expense of \$35,000.

The township should consider implementing a biennial dog-canvassing program, in compliance with state statutes, yielding a revenue enhancement of \$5,719. The team also recommends that the township include cats in its biennial dog canvass, for an additional revenue enhancement of \$9,327.

The team recommends that the township solicit donations to the dial-a-ride service from both riders and the food markets, shopping centers and medical offices. Assuming half the riders contribute a \$1 suggested donation, the township could receive a revenue enhancement of \$11,500.

The team recommends that the township make application to the county for the \$15,000 appropriation currently being given to the Jefferson Childcare Center.

### **Welfare**

By eliminating the PATF 1 account that is no longer useful to the program, the township could yield a revenue enhancement of \$6,473.

The team recommends that the township reconsider its decision to maintain its own welfare program and transfer the welfare program to the county, saving \$21,201.

### **Recreation**

The team recommends that the township develop a policy regarding the amount of tax subsidy that the township deems appropriate for recreation activities, for a revenue enhancement of \$164,759.

### **Collective Bargaining Issues**

The township should consider negotiating to restructure the vacation allotment similar to the State of New Jersey employees, for a potential productivity enhancement of \$16,000.

By negotiating a modification to a quartermaster or replacement system for police uniforms and contract the cleaning of uniforms, the township could potentially save \$22,126.

By negotiating to eliminate the use of sick leave as personal time, the township could produce a potential productivity enhancement of \$20,940.

**COMPARISON OF BUDGET APPROPRIATIONS, STATE AID,  
AND LOCAL TAX RATE WITH RECOMMENDED REDUCTIONS IN  
JEFFERSON TOWNSHIP**

| <b><u>Areas Involving Monetary Recommendations</u></b>                      | <b><u>One-time Savings/<br/>Expense</u></b> | <b><u>Annual Savings/<br/>Expense</u></b> | <b><u>*Potential<br/>Savings</u></b> | <b><u>Totals</u></b> |
|---|---|---|--------------------------------------|----------------------|
| <b>City Clerk</b>   |   |   |                                      |                      |
| Eliminate the assistant deputy clerk/comptroller position                   |   | \$5,795                                   |                                      |                      |
| Increase liquor license fees to maximum allowed by law                      |   | \$2,550                                   |                                      |                      |
|   |   |   |                                      | <b>\$8,345</b>       |
| <b>Health Insurance</b>   |   |   |                                      |                      |
| Negotiate a 20% co-payment for premium health coverage                      |   |   | \$52,600                             |                      |
| Promote less expensive managed-care programs through health fairs           |   |   | \$1,500                              |                      |
| Negotiate to eliminate life insurance coverage for PBA members              |   |   | \$1,600                              |                      |
| <b>Budget</b>   |   |   |                                      |                      |
| Anticipate fees from leaf bag sales as revenue in next budget               |   | \$6,000                                   |                                      |                      |
|   |   |   |                                      | <b>\$6,000</b>       |
| <b>Purchasing</b>   |   |   |                                      |                      |
| Utilize the state's cost-per-copy contract                                  |   | \$1,952                                   |                                      |                      |
| Eliminate cellular telephones for all employees, except fire and police     |   | \$2,520                                   |                                      |                      |
| Eliminate directory assistance, *69 and Call 54                             |   | \$1,977                                   |                                      |                      |
|   |   |   |                                      | <b>\$6,449</b>       |
| <b>Tax Assessment</b>   |   |   |                                      |                      |
| Purchase computer equipment and software to improve productivity            | (\$12,000)                                  | (\$1,200)                                 |                                      |                      |
|   |   |   |                                      | <b>(\$13,200)</b>    |
| <b>Police</b>   |   |   |                                      |                      |
| Eliminate five patrol positions, including the academy officer              |   | \$208,435                                 |                                      |                      |
|   |   |   |                                      | <b>\$208,435</b>     |
| <b>Municipal Court</b>  |   |   |                                      |                      |
| Upgrade one clerk position to deputy to provide court night coverage        |   | (\$3,000)                                 |                                      |                      |
| Eliminate social security, Medicare and health benefits for part-time judge |   | \$8,857                                   |                                      |                      |
|   |   |   |                                      | <b>\$5,857</b>       |

**COMPARISON OF BUDGET APPROPRIATIONS, STATE AID,  
AND LOCAL TAX RATE WITH RECOMMENDED REDUCTIONS IN  
JEFFERSON TOWNSHIP**

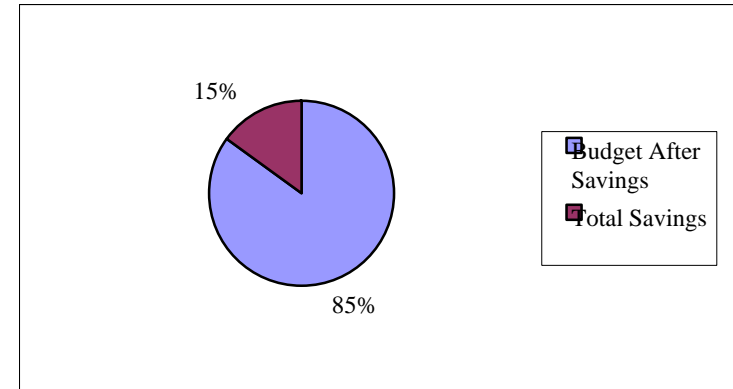
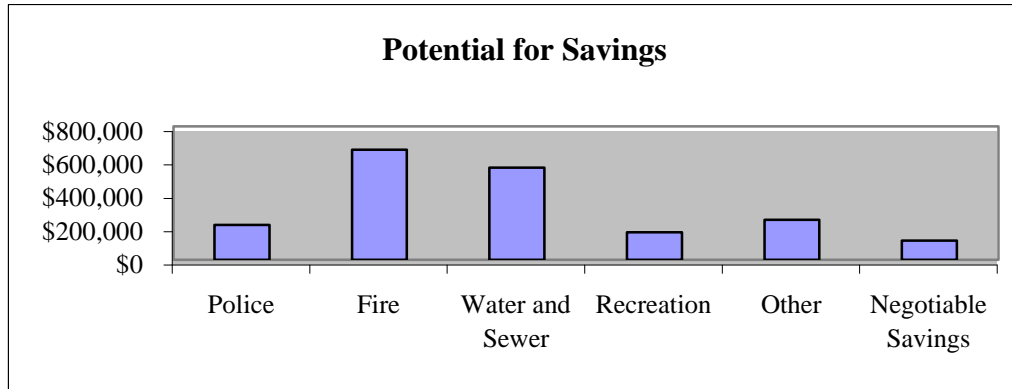
| <b><u>Areas Involving Monetary Recommendations</u></b>                          | <b><u>One-time Savings/<br/>Expense</u></b> | <b><u>Annual Savings/<br/>Expense</u></b> | <b><u>*Potential<br/>Savings</u></b> | <b><u>Totals</u></b> |
|---|---|---|--------------------------------------|----------------------|
| <b>Fire</b>   |   |   |                                      |                      |
| Reduce the overall fleet by two pumpers, selling two oldest pumpers             | \$60,000                                    |   |                                      |                      |
| One-time savings for not replacing the two oldest pumpers                       | \$600,000                                   |   |                                      |                      |
|   |   |   |                                      | <b>\$660,000</b>     |
| <b>Fire Prevention Bureau</b>   |   |   |                                      |                      |
| Hire a full-time fire official  |   | (\$41,000)                                |                                      |                      |
| Enforce ordinance regarding non-life hazard uses                                |   | \$16,150                                  |                                      |                      |
| Register and inspect all life hazard uses                                       |   | \$11,639                                  |                                      |                      |
|   |   |   |                                      | <b>(\$13,211)</b>    |
| <b>Public Works</b>   |   |   |                                      |                      |
| Contract street sweeping services to another municipality                       |   | \$5,000                                   |                                      |                      |
| Merge fleet maintenance operations with board of education                      |   | \$38,000                                  |                                      |                      |
| Purchase a fleet maintenance software program                                   | (\$2,500)                                   |   |                                      |                      |
|   |   |   |                                      | <b>\$40,500</b>      |
| <b>Planning and Zoning</b>  |   |   |                                      |                      |
| Establish policies and procedures estimating developers' fair share             |   | \$112,500                                 |                                      |                      |
|   |   |   |                                      | <b>\$112,500</b>     |
| <b>Construction and Housing Inspection</b>                                      |   |   |                                      |                      |
| Eliminate code enforcement officer position and redistribute duties             |   | \$18,720                                  |                                      |                      |
| Charge fee for zoning permits   |   | \$7,475                                   |                                      |                      |
|   |   |   |                                      | <b>\$26,195</b>      |
| <b>Water and Sewer</b>  |   |   |                                      |                      |
| Eliminate scheduled weekend overtime & schedule into a regular workweek         |   | \$8,241                                   |                                      |                      |
| Consolidate or transfer utility billing and collection to tax collection office |   | \$45,000                                  |                                      |                      |
| Require homes and businesses to connect to public water systems                 |   | \$500,000                                 |                                      |                      |
|   |   |   |                                      | <b>\$553,241</b>     |
| <b>Health Department</b>  |   |   |                                      |                      |
| Hire a private vendor to investigate and respond to septic issues               |   | (\$35,000)                                |                                      |                      |
| Implement biennial dog canvassing program                                       |   | \$5,719                                   |                                      |                      |



**COMPARISON OF BUDGET APPROPRIATIONS, STATE AID,  
AND LOCAL TAX RATE WITH RECOMMENDED REDUCTIONS IN  
JEFFERSON TOWNSHIP**

| <b><u>Areas Involving Monetary Recommendations</u></b>                       | <b><u>One-time Savings/<br/>Expense</u></b> | <b><u>Annual Savings/<br/>Expense</u></b> | <b><u>*Potential<br/>Savings</u></b> | <b><u>Totals</u></b> |
|--|---|---|--------------------------------------|----------------------|
| Include cats in biennial dog canvassing                                      |   | \$9,327                                   |                                      |                      |
| Solicit donations to the dial-a-ride   |   | \$11,500                                  |                                      |                      |
| Make application to county for appropriation given to the childcare center   |   | \$15,000                                  |                                      |                      |
|  |   |   |                                      | <b>\$6,546</b>       |
| <b>Welfare</b>   |   |   |                                      |                      |
| Eliminate PATF 1 account that is no longer useful to program                 |   | \$6,473                                   |                                      |                      |
| Transfer welfare program to the county                                       |   | \$21,201                                  |                                      |                      |
|  |   |   |                                      | <b>\$27,674</b>      |
| <b>Recreation</b>  |   |   |                                      |                      |
| Develop policy regarding the amount of tax subsidy for recreation activities |   | \$164,759                                 |                                      |                      |
|  |   |   |                                      | <b>\$164,759</b>     |
| <b>Collective Bargaining Issues</b>  |   |   |                                      |                      |
| Negotiate to restructure vacation allotment similar to state employees       |   |   | \$16,000                             |                      |
| Negotiate to a quartermaster or replacement system for uniforms              |   |   | \$22,126                             |                      |
| Eliminate use of sick leave as personal time                                 |   |   | \$20,940                             |                      |
| <b>Total Recommended Savings</b>   | <b>\$645,500</b>                            | <b>\$1,154,590</b>                        | <b>\$114,766</b>                     | <b>\$1,800,090</b>   |
| *\$114,766 not included in savings of \$1,800,090.                           |   |   |                                      |                      |
| <b>Total Amount Raised for Municipal Tax</b>                                 |   |   |                                      | <b>\$5,627,500</b>   |
| <b>Savings as a % of Municipal Tax</b>                                       |   |   |                                      | <b>32%</b>           |
| <b>Total Budget</b>  |   |   |                                      | <b>\$12,098,786</b>  |
| <b>Savings as a % of Budget</b>  |   |   |                                      | <b>15%</b>           |
| <b>Total State Aid</b>   |   |   |                                      | <b>\$2,616,552</b>   |
| <b>Savings as a % of State Aid</b>   |   |   |                                      | <b>69%</b>           |

**COMPARISON OF BUDGET APPROPRIATIONS, STATE AID,  
AND LOCAL TAX RATE WITH RECOMMENDED REDUCTIONS IN  
JEFFERSON TOWNSHIP**



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## **COMMUNITY OVERVIEW**

The Township of Jefferson, founded in 1804, consists of two communities: Milton, located in the northern part of the township, and Lake Hopatcong, situated in the southern portion of the township. The Mahlon Dickinson Reservation, a 3,000-acre expanse and part of the Morris County Park System, bisects the communities of Milton and Lake Hopatcong.

For many years' residents felt that Jefferson was two separate towns and not a unified town. There were separate departments, such as public works, for both communities. Since the establishment of Jefferson High School at the geographic center of town in 1963, this attitude of two towns has diminished, but it still exists. Our review found that this attitude still affected some of the township departments. The current mayor and administration have worked to bring a sense of unity to the two communities of Milton and Lake Hopatcong.

Jefferson is located in the northwest sector of Morris County. Jefferson is within commuting distance of New York City. Interstate Route 80 passes through the township's southerly tip in an east/west direction and New Jersey Routes 23, 15 and 181 offer north/south access to Route 80 and Route 46.

Jefferson is approximately 42 square miles making it the 2nd largest municipality in area in the county. Nearly half of the land is publicly owned, consisting primarily of open space, parkland and watershed land.

According to 2000 Census Data, Jefferson's population is 19,717. This represents a 10.6% increase since the 1990 census population of 17,825 and a 20% increase since the 1980 census population of 16,413. The population composition is approximately 96.1% White, 1.1% Asian, 0.8% African American, and 2% other. Approximately 2% is of Hispanic origin and approximately 8% is age 65 or above.

According to the 1990 Census figure, the median family income was \$52,590 with 431 persons in poverty, and the median home value was \$161,200. Approximately 88.3% of township properties are residential, 7.0% are commercial or industrial, 0.2% is farmland, and 4.4% of township properties are vacant.

Jefferson provides a high level of service expected by residents while controlling costs. To do so, the township has used techniques such as interlocal agreements, competitive contracting, and shared services.

From 1995 to 1999, the total municipal budget increased from \$9,763,555 to \$12,098,786, representing a 23.9% increase, while the municipal tax rate decreased from 0.680 to 0.674, representing a 0.3% increase. During this period, the overall tax rate increased from 2.522 to 2.613, representing a 3.6% increase. From 1997 through 2000, the assessed valuation for the Township of Jefferson increased by over \$50 million.

## **I. BEST PRACTICES**

A very important part of the Local Government Budget Review report is the Best Practices section. During the course of every review, each review team identifies procedures, programs and practices, which are noteworthy and deserving of recognition. Best practices are presented to encourage replication in communities and schools throughout the state. By implementing these practices, municipalities and school districts can benefit from the Local Government Budget Review process and possibly save considerable expense on their own.

Just as we are not able to identify every area of potential cost savings, the review team cannot cite every cost-effective effort. The following are those best practices recognized for cost and/or service delivery effectiveness.

### **Leaf Collection**

Jefferson requires its residents to bag all leaves for collection in paper biodegradable bags. The collection of leaves is part of the recycling collection contract, and is done by the recycling vendor. In contrast, many municipalities do not require residents to bag leaves. Instead, non-bagged leaves are left in the township streets and picked up using DPW crews and backhoes, loaders and trucks for collection.

Requiring residents to bag their own leaves in biodegradable bags is probably the most cost-effective method. Bagged leaves take considerably less time to collect than non-bagged leaves. In a municipality similar in size to Jefferson, the personnel costs to dispose of fall leaves using DPW crews were approximately \$75,000. By including the collection of leaves as part of the recycling collection contract, Jefferson has provided for a productivity enhancement of approximately \$75,000 to its DPW crews.

### **Sharing DPW Facility**

The school district utilizes three of the nine bays at the municipal garage. In late 2000, the township renewed the lease with the board of education for usage of the municipal garage. Under the terms of the lease, the board of education pays 40% of utilities costs. The board of education also agreed to pay for up to \$450,000 in capital improvements over the first five years of the lease. The township funded an architectural study of space needs in township facilities. One of the first facilities the township plans to address and upgrade is the municipal garage, which will probably include the addition of several bays to the garage. The township is commended for its joint venture to share the municipal garage with the board of education.

### **Engineering Inspector**

Just prior to our review, the township created a new position, an engineering inspector/zoning officer. This position is involved with inspections for the township's capital projects and inspections for other construction/infrastructure projects involving roads, paving, water and sewers. This inspector also performs required inspections for applications before the planning board and board of adjustment, as well as zoning duties. The engineering inspector is also a licensed surveyor and is capable of performing survey work that would normally be conducted

by the outside engineering firm. The township charges developers for the inspections, as applicable, and is reimbursed from developer escrow accounts for the time spent on inspections. Township officials believe that this position will “pay for itself.”

### **Library Technology Improvements**

The Jefferson Library, which went from an association library to a municipal library in 2001, is a member of the Morris County Library Consortium. The consortium consists of 32 libraries and provides inter-library loans, a database, and saves the township significant costs to provide resources to its residents. In order to be eligible for the consortium, the library had to have a certain level of automation or technology use. When the director took over the library they had one computer. The director was able to acquire “hand me down” computers from municipal departments to meet the consortium requirements and still significantly upgrade the level of technology for the library.

The director’s willingness to acquire computers and other technology has allowed the library to have a stronger technology presence, hold their place in the consortium, and provide more Internet access to its patrons. These technology improvements also allowed the library to gain access to the technology from the State Library. In 1999, the director got a grant from the State Library to network the printers, which significantly cut costs for toner and allowed the library to monitor pages printed.

### **Refurbishing Fire Vehicles**

Since 1989, the fire department has refurbished many of their older pieces of apparatus at a cost much less than purchasing new pieces of apparatus.

### **Senior Services/Senior Center**

Senior services consists of an organized and caring group of senior volunteers. Since its opening, the senior center has been guided by a volunteer director and an internal board of directors. It operates as a nonprofit organization and has no paid staff. Volunteers fill a variety of positions. Senior programs are nearly self-supporting. As fees are charged to offset the costs of these programs. It raises the money for events such as dances from ticket sales, bingo and other activities. The township pays for maintenance and utility costs and also pays \$7,500 in aid to each of the two senior citizen groups.

Many valuable programs are offered to senior citizens at a very low cost to the township and its taxpayers.

### **Volunteers (Tax Collection Office)**

Volunteer senior citizens are used to stuff the tax bills into envelopes for the mailing of tax bills each year.

**The township is commended for its use of volunteers to assist with the mailing of tax bills each year.**

**Central Cashier**

The tax collection office serves as the central cashier for most departments. Citizens who are paying a fee for goods or service at another department are given a bill and sent to the tax collector's office. The citizen pays the bill, is given a receipted copy of the bill and returns it to the department with this proof of payment. In 1999, the tax collector processed approximately 5,200 cashier transactions for the other departments.

The central cashier process appears to work very well for the township and is a good internal control as it limits the number of people who are handling money.

**Staging Construction Fee Increase**

Ten years ago, when the construction official took the position, the division's annual revenue was less than \$45,000 annually. After a study involving surrounding and comparable municipalities, the township gradually implemented a fee increase. Over a four year period, the division more than tripled its fee schedule.

**Alternate Affordable Housing Plan**

In accordance with state regulations, the township's fair share housing plan identifies its response for its fair share of affordable housing. In the event the plan is not realized, the township has also provided an alternate plan. The foresight of having an alternative plan protects the township from further litigation and developments of increased density.

## **II. OPPORTUNITIES FOR CHANGE/FINDINGS AND RECOMMENDATIONS**

The purpose of this section of the report is to identify opportunities for change and make recommendations that will result in more efficient operations and financial savings or enhancements for Jefferson's residents and taxpayers. One of the fundamental components of the team's analysis is identifying the true cost of a service. To this end, the team prepares a payroll analysis that summarizes personnel costs by function and attributes direct benefit costs to the salary of each individual. This figure will always be different from payroll costs in the budget or in expenditure reports because it includes health benefit, social security, pension, unemployment and other direct benefit costs.

In its study, the review team found the municipality makes a conscious effort to control costs and to explore areas of cost saving efficiencies in its operations. Many of these are identified in the Best Practices section of this report. Others will be noted as appropriate in the findings to follow. The municipality is to be commended for its efforts. The review team did find areas where additional savings could be generated and has made recommendations for change that will result in reduced costs or increased revenue.

Where possible, a dollar value has been assigned to each recommendation to provide a measure of importance or magnitude to illustrate cost savings. The time it will take to implement each recommendation will vary. It is not possible to expect the total projected savings to be achieved in a short period of time. Nevertheless, the total savings and revenue enhancements should be viewed as an attainable goal. The impact will be reflected in the immediate budget, future budgets, and the tax rate(s). Some recommendations may be subject to collective bargaining considerations and, therefore, may not be implemented until the next round of negotiations. The total savings will lead to a reduction in tax rates resulting from improvements in budgeting, cash management, cost control and revenue enhancement.

One of the fundamental components of the team's analysis is identifying the true cost of a service. To this end, the team prepares a payroll analysis that summarizes personnel costs by function and attributes direct benefit costs to the salary of each individual. This figure will always be different from payroll costs in the budget or in expenditure reports because it includes health benefits, social security, pension, unemployment and other direct benefit costs.

### **GOVERNING BODY**

The Township of Jefferson operates under the Mayor and Council form of government. The township council consists of five council members elected to four-year terms. The township council is a collective legislative body. The council directs the township by setting priorities, determining policies, and establishing goals. According to the municipal codebook, the mayor is the chief executive and administrative officer of the township. The mayor is elected to a four-year term. The council president presides at all meetings of the township council and is chosen by the council for a one-year term each January at the organization meeting.



According to the township salary ordinance, the range for council members' annual salaries was \$3,500 to \$4,506. The salary range for the council president was \$3,500 to \$5,406 and the range for the mayor was \$8,000 to \$8,800. In 1999, council members and the council president received the range maximum, while the mayor received the minimum.

In 1999, the cost for salaries and benefits for the township council, not including the mayor, was approximately \$28,937. Other expenses spent were \$138,345 and included the township clerk's office.

### **Health Benefits**

Council members may receive health benefits, although most council members have declined this coverage in the past. In 1999, only one council member received health benefits, at an approximate cost of \$2,722.

**The township council is commended for keeping health benefit expenses at a minimum.**

## **TOWNSHIP CLERK**

### **Staffing**

The township clerk's office is staffed with three full-time and one part-time employee and is headed by the township clerk. The other positions include a deputy township clerk, the council advisory board secretary and a part-time assistant deputy clerk.

The deputy clerk is primarily involved with many secretarial and clerical functions and responding to customer service inquiries from the public, such as license and permit processing, general questions and telephone calls.

In 1999, the council advisory board secretary consisted of two part-time employees. In 2000, these positions were consolidated to create one full-time position. The council advisory board secretary provides clerical and secretarial assistance to seven council advisory boards: the Utility Advisory Board, Open Space, Economic, Lake Hopatcong Region Sewer Advisory Board, Senior Citizens, Camp Jefferson, and Zoning Review Committee. This position attends all board meetings, coordinates meetings, and is responsible for the management of all mailings and correspondence for each board member. The council advisory board secretary has also been cross-trained to perform the duties primarily assigned the deputy clerk. In the future, she will also be responsible for indexing and minutes maintenance.

**The clerk's office is commended for maximizing the use of its staff in providing necessary office coverage through cross training, and for providing substantive contributions that are a cohesive part of the municipal operation.**

The assistant deputy clerk, who works on a part-time basis and serves as the township comptroller, reviews the township bill list prior to each council meeting. The bill lists are checked to ensure that everything is in order, reviewing vouchers, order forms, and checking for the accountability of each transaction. Bill lists are prepared for each township council meeting,

two meetings per month and only once per month during the summer. Health benefits are not received but pension, social security, and Medicare benefits are received. In 1999, the cost of salary and benefits for the comptroller position was \$5,795.

The duties performed by the comptroller are also performed by various administrative and finance staff through the normal purchasing process. While another “set of eyes” reviewing the bills and purchase order is not a bad practice, most municipalities do not have a part-time comptroller who serves this function. According to township officials, this position was needed when there was an adversarial relationship between the mayor/administration and the township council. The current mayor/administration and township council has a good working relationship.

### **Recommendation:**

**It is recommended the township review whether the assistant deputy clerk/comptroller position is necessary. By eliminating this position, the township could save approximately \$5,795.**

**Cost Savings: \$5,795**

### **Financial**

In 1999, total cost in salaries and benefits for the municipal clerk’s office was \$145,601. Approximately \$1,805 was spent in overtime. Other expenses are embedded in the governing body budget and are difficult to determine.

In 1998, the township clerk’s office collected \$100,360 and \$70,327 in 1999 for various fees, according to township records. The decrease in fees collected from 1998 to 1999 was due to a decrease in dog/cat license fees. This function was transferred to the health department in 1999.

### **Functions**

The township clerk is officially responsible for attending all township council meetings and keeping records of all minutes of those meetings, transcribing and advertising all ordinances, resolutions and legal notices, affixing the corporate seal as authorized by the council, and coordinating election activities. This office is also responsible for preparing the preliminary agenda for the council meetings, and the preparation and distribution of meeting packets to council members. The clerk’s office coordinates the retention of all township records and handles all telephone calls, messages and correspondence for the township council. Other activities include issuing and maintaining records regarding licensing of bingo games and raffles, and processing various other permits, certificates and licenses including Alcoholic Beverage Control (ABC) licenses.

In 1999, the clerk’s office transferred dog and cat licensing functions to the health department. Prior to this transfer, the clerk’s office processed these licenses.

The clerk’s office is the point of contact for a citizen with an inquiry or wishing to purchase most municipals permits or licenses.

The minutes of recent meetings are posted in a timely manner to the website maintained by the library director while agendas to upcoming township committee meetings are posted before each meeting.

Records such as minutes, resolutions and ordinances appear to be well maintained, well organized, and up to date. The municipal codebook was recodified a few years ago and is updated semi-annually. The approximate annual cost for the recodification is \$3,200.

### **Records Management**

A record management policy and procedures was created in January, 1999 and distributed to all personnel. The document outlines procedures developed to provide sound management practices within the Township of Jefferson. The township vault, which houses the township's permanent records, has been cleaned and reorganized, which has proved to be more efficient for the township in the retrieval and location of historical data and documents.

### **Automation**

The clerk's office is in the process of automating various office functions. Bingo and raffle licensing has been computerized. A database system to record, maintain and retrieve municipal information is partially implemented. A database of all municipal contracts is fully implemented, while the database for resolutions and ordinances has information after January, 1998, and the office expects, over the next two years, for the process to be fully automated. The codebook is also available online through the township's website.

**The township is commended for using technology to improve the department's efficiency and is urged to continue with these projects. Technology improvements will reduce search time for ordinances, resolutions and minutes, which will provide a significant productivity enhancement.**

According to the township clerk, future plans include transferring the responsibility of website updates to each office or department and the implementation of an internal E-mail system.

### **Alcohol Beverage Licenses**

The annual fee for alcoholic beverage licenses in the Township of Jefferson is \$50 for club licenses and \$379 for plenary retail consumption and distribution licenses.

N.J.S.A. 33:1-12 permits the governing body in each municipality to set the annual fee for plenary retail consumption licenses between \$200 and \$2,000 and the annual fee for plenary retail distribution licenses between \$100 and \$2,000. Fees may not be raised or lowered by more than 20% from that charged the preceding year or \$500, whichever is less. Club license fees may be between \$50 and \$150 and there is no provision limiting the percentage amount of the increase.

In 1999, Jefferson had 33 licenses, including two club licenses, generating \$11,849 in alcoholic beverage license fees. Increasing the current club license fees to \$150 would generate an additional \$200 in revenue. Increasing the current fee for the other licenses by 20% would generate approximately \$2,350 in additional revenue.

Jefferson Township can expect to increase their plenary retail consumption and distribution licenses for approximately 10 years consecutively before reaching statutory limit of \$2,000. During this period, Jefferson would collect approximately \$50,000 in additional revenue by increasing the license fee to \$2,000. Appendix A outlines the annual fee increases for liquor licenses.

### **Recommendation:**

**It is recommended the township consider gradually increasing the liquor license fees to the maximum permissible by state statutes. A revenue enhancement of \$2,550 would be achieved in the first year.**

**Revenue Enhancement: \$2,550**

### **Issues/Concerns**

The clerk sent a memo to the administrator in April, 1999 regarding the rerouting of certain responsibilities held by the clerk's office. Although a few were rerouted, the following responsibilities were still outstanding:

1. The DPW should be assigned to handle road openings and driveway issues.
2. The fire bureau should handle blasting and open burning and have a fire official assigned a few hours per week to respond to smoke detector and fire related inquiries.
3. The issue of tree removal and soil removal should be handled by the engineer/forester.

Due to the limited daytime office hours of the DPW, fire bureau, and engineer/forester, the team feels that these functions should remain with the clerk's office.

## **ADMINISTRATION**

Under the supervision of the mayor, the business administrator supervises and directs the administration of each of the departments of the township government. The codebook also establishes a department of administration and finance, the head of which is the business administrator.

The mayor supervises all the departments of the township government to guarantee that the administrator and the department heads carry out and maintain the established administrative policies and laws of the municipality.

### **Staffing**

The administrator's office is staffed with three full-time employees: the township administrator, an administrative secretary, and a receptionist. The administrator also employed three part-time occasional employees throughout the year.

The township administrator is responsible for the day-to-day operations of the township and oversees personnel matters. The current township administrator has served in this position since April, 1999, after retiring as the township's police chief.

According to the codebook, the business administrator serves as the township's purchasing agent. In the spring of 2000, the purchasing function was restructured due to the New Jersey Procurement Reform, which changed purchasing regulations within the Local Public Contracts Laws. The township administrator had previously served as purchasing agent for the township and supervised the purchasing staff. The township's CFO, who is also a registered public purchasing official, now serves as purchasing agent.

The administrative secretary provides clerical and administrative support to the administrator and the mayor. This position also coordinates insurance matters for the township and prepares the township newsletter for the mayor.

The receptionist is stationed at the front entrance of the municipal building. This workstation primarily serves as the information desk and directs visiting residents and telephone calls to the appropriate departments. The receptionist sorts the mail on a daily basis and assists with other work and projects as needed.

### **Financial**

In 1998, the cost of salaries and benefits for the administrator's and mayor's office was approximately \$181,206. An additional \$105,990 was expended for other expenses and \$4,947 for overtime during this period.

### **Newsletter**

The newsletter is distributed twice each year and is an effective way to keep residents aware of township services and programs. The newsletter is funded with money from the Clean Communities grant, because the recycling schedule is always included in the newsletter.

**The township is commended for using the township newsletter to keep its residents informed of township services and for doing it with no additional expense to the taxpayer.**

## **PERSONNEL/COMPENSATION/BENEFITS**

### **Staffing**

In 1999, the township employed 99 full-time and, approximately, 47 part-time employees. These are recorded on the payroll report and accounted for approximately \$4,733,294 in gross salaries. In 1999, overtime expenditures for all departments were \$315,010.

For purposes of our analysis, the LGBR team computed the "direct" and "indirect benefits", as well as the "position value" for each employee. The position value is used to compare specific costs and includes specific components: (a) base salary, (b) longevity, (c) holiday, (d) medical, (e) dental, (f) prescription, (g) vision care, (h) pension, (i) social security, and (j) Medicare costs.

### **Contracted Professionals**

The township contracts with private individuals to handle specialized functions: (a) independent auditor, (b) planning board attorney, (c) zoning board attorney, (d) labor attorney, (e) township engineer, (f) board of adjustment engineer, (g) and township planner. Terms of contracts with the above professionals are discussed the appropriate sections of this report.

Overall, Jefferson's contracts for professional services clearly specified the scope of services and the fees for services. Most contracts also specified an "amount not to exceed" clause.

### **Recommendations:**

**The township is commended for its professional contracts, which clearly define the scope of services and associated fees. It is recommended that the township continue to, in consultation with its municipal attorney, execute contracts annually, or as otherwise appropriate, with all contracted professionals. The contract or agreement should clearly state the services and responsibilities included in the base contract. Also, a fee schedule for ancillary services not included in the base contract should be addressed. The contract and the appointing resolution should have a cap or an amount that should "not to be exceeded."**

**The township should also consider submitting Requests for Proposals (RFP) periodically for each contracted position. According to N.J.S.A. 40A:11-15, contracts for professional services, such as legal, auditing, engineering and most other professional services, cannot be made for periods of more than 12 consecutive months. The township attorney is urged to review the applicable time periods in the Local Public Contracts Law for the above professionals.**

### **Payroll Process**

A payroll/personnel clerk coordinates the payroll functions and has overall responsibility for the bi-weekly payroll system. The township contracts with a payroll vendor for the check processing functions.

### **Personnel Policies**

At the time of our review, the township administrator was in the process of developing and finishing a personnel manual for all employees. Currently, personnel policies are outlined in respective labor contracts and New Jersey Department of Personnel regulations.

### **Unions**

The Township of Jefferson currently has four collective bargaining units:

1. Police Benevolent Association (PBA) Local 190, which represents township police officers;
2. International Union of Production Local 911 (White Collar Unit), which represents clerical and professional employees;
3. International Union of Production Local 911 (Blue Collar Unit), which represents DPW employees; and
4. NJ Civil Service Association Morris Council No. 6, which represents DPW foremen.

### **Performance Evaluations**

The township does not conduct performance evaluations for its employees. Performance evaluations provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths and discuss positive purposeful approaches for meeting goals.

### **Recommendation:**

**It is recommended the township conduct performance evaluations on an annual basis for all employees.**

### **Longevity**

In 1992, the township eliminated longevity benefits for new hires in all unions except members of the PBA.

Full-time employees of the white collar, blue collar, and foreman units, hired after the cut-off date specified in each of the labor contracts, do not receive longevity benefits. Full-time employees of the three township unions, hired prior to the cut-off date(s), are grandfathered and receive longevity benefits, which are paid through the bi-weekly payroll and are pensionable. Grandfathered employees receive an additional 2% of base salary at the start of the fourth year of service. The maximum longevity amount is “capped” for each union, but the amounts vary in each contract. The chart below shows the maximum longevity payments for 1999. PBA members are also eligible to receive an additional increase after 15 and 18 years of service.

|                       | <b>1999</b> |
|-----------------------|-------------|
| <b>PBA</b>            | \$1,375     |
| Years 15-17           | \$1,675     |
| Years 18+             | \$1,875     |
| <b>Blue Collar</b>    | \$1,375     |
| <b>White Collar</b>   | \$1,475     |
| <b>Foremen’s Unit</b> | \$1,500     |

**The township is commended for the elimination of the longevity benefit for most new hires.**

### **Holidays**

Township employees are entitled to 14 holidays, which is consistent with State of New Jersey holidays.

### **Non-Union Employees**

Township employees not affiliated with any of the bargaining units generally include department heads and other confidential employees. These employees generally receive the same sick leave, vacation leave, and longevity benefits as the white-collar union.

### **Personal Leave**

Non-union employees do not receive any personal leave days. PBA members are the only employees who receive any sort of personal leave. Police officers are also entitled to use up to 24 hours, or three days of sick leave, as personal time.

### **Part-time Employees**

The township has a policy that part-time employees generally cannot work more than 19 hours per week. There are only a few “grandfathered” employees who work more than 19 hours but less than full-time. Part-time employees do not receive health benefits unless at least 20 hours per week are worked. Thus, the township limits its health insurance costs to part-time employees. Part-time employees receive pro-rated vacation and sick leave benefits.

### **Disability**

At the time of the review, the township also provided all employees with the State of New Jersey Temporary Disability Plan. The township paid half of the costs of this plan and the employees paid half.

Effective January, 2001, the township switched from the state’s plan to a disability plan with an insurance company. According to township officials, the costs were significantly reduced and the township now pays 100% of the costs.

## **HEALTH INSURANCE**

The township utilizes the State Health Benefits Program (SHBP) for its health insurance coverage. The SHBP is able to use its greater market share to achieve lower administrative costs. However, as a member, some of the rules and regulations of the program limit the township’s ability to implement cost saving techniques. The current annual cost to the township for health coverage is approximately \$706,000 for all employees and retirees.

### **Part-time Employees**

Part-time employees who work over 20 hours per week are eligible to receive health insurance coverage but are not eligible to receive prescription drug, dental or vision benefits.

### **Premium Co-Payment**

Another cost factor involves the distribution of plan participation. As of December 31, 1999, approximately 17% of the employees have other than single coverage, as illustrated in the following chart:

| <b>Plan</b>  | <b>Single</b> | <b>Member/Spouse</b> | <b>Parent/Child</b> | <b>Family</b> |
|--------------|---------------|----------------------|---------------------|---------------|
| NJ Plus      | 7             | 6                    | 2                   | 42            |
| Traditional  | 10            | 19                   | 2                   | 11            |
| CIGNA        | 0             | 1                    | 0                   | 2             |
| First Option | 0             | 1                    | 0                   | 0             |
|              | <b>17</b>     | <b>27</b>            | <b>4</b>            | <b>55</b>     |



Although the current rules and regulations prohibit the township from instituting a premium-sharing concept, it could institute a co-pay for other than single coverage. Currently, the township pays for the entire premium, regardless of type of coverage. Based upon the coverage rates as of December 31, 1999, the township pays approximately \$263,000 for coverage of dependents of employees. If employees paid a 20% co-pay for dependent coverage, the township could decrease annual costs approximately \$52,600, based on current rates.

**Recommendations:**

**It is recommended the township negotiate to implement a co-payment of 20% of the premium for health coverage for an employee's dependent(s).**

**Potential Cost Savings: \$52,600**

**Managed Care Programs**

As the chart below illustrates, about 55% of the employees participate in the Blue Cross/Blue Shield Traditional program. Unfortunately, it is also the most expensive plan. If 10% of the employees (approximately 10 employees) were to switch plans from the traditional indemnity program to the NJ Plus program, the township would save approximately \$1,500 annually. The greater the number of employees who switch from the traditional indemnity program, the greater the savings.

|              | <b>No. of Participants</b> | <b>Percentage</b> |
|--------------|----------------------------|-------------------|
| NJ Plus      | 57                         | 55.3%             |
| Traditional  | 42                         | 40.8%             |
| CIGNA        | 3                          | 2.9%              |
| First Option | 1                          | 1.0%              |
|              | <b>103</b>                 | <b>100%</b>       |

Other cost saving mechanisms, such as a premium-sharing concept for those employees who elect coverage in a higher price plan, or a provision to charge a higher deductible for the traditional indemnity program than prescribed in statute would require legislation.

**Recommendations:**

**It is recommended the township attempt to promote the less expensive managed care programs through health fairs.**

**Potential Cost Savings: \$1,500**

**Dental**

The township currently provides dental coverage to all full-time employees. Part-time employees are not eligible for dental benefits. In 1999, the cost for dental coverage was \$77,970.

**Prescription**

Full-time employees, except PBA members, are reimbursed for actual expenses incurred by the employee or his/her dependents for prescription drugs up to a maximum of \$185 per year for

white and blue collar employees and non-union employees. PBA members and part-time employees do not receive this benefit. Employees must present receipts prior to reimbursement. In 1999, the cost to the township was approximately \$6,600.

### **Vision**

Full-time employees are reimbursed for actual expenses incurred by the employee or his/her dependents for eye examinations and/or prescription eyeglasses up to a maximum of \$175 per year for DPW employees and \$200 for white collar and non-union employees. PBA members and part-time employees do not receive this benefit. Employees must present receipts prior to reimbursement. In 1999, the cost to the township was approximately \$5,100.

### **Life Insurance**

PBA members also receive additional life insurance coverage. In 1999, the cost to the township was approximately \$1,600.

This provision is duplicative, as all employees are already entitled to life insurance coverage through the pension system. While this benefit is a nice gesture on the municipality's behalf, it is not necessary to provide this type of benefit since it is already provided through other means.

### **Recommendation:**

**The township should consider negotiating to eliminate life insurance coverage for PBA members.**

**Potential Cost Savings: \$1,600**

## **INSURANCE**

The township's liability insurance is provided through a combination of commercial insurance programs and municipal insurance pools. These different insurance options are used to provide the different types of liability coverage such as general liability, automobile, workers' compensation, property and casualty, and excess liability.

An insurance broker/agent is used to provide commercial insurance coverage for property and casualty, excess liability, police professional liability and public official professional liability coverage. In 1999, the cost for this coverage was \$246,028. This insurance program with the commercial provider is a purchasing pool, which required a three-year commitment. The township, which entered into this program in 1999, was also guaranteed a three-year rate freeze.

The township is a member of a municipal insurance pool known also known as a joint insurance fund (JIF) for workers' compensation coverage. Jefferson has been a member of this JIF since 1993. In 1999, the cost for this coverage was \$152,459.

For the 1999 insurance renewal, the township's insurance agent shopped around for coverage with various commercial providers and insurance pools. The agent, who has worked with the township for more than seven years, is not paid by the township, but is paid a commission of

approximately 12% by the commercial carrier. In 2001, the agent plans to again solicit proposals from commercial providers and insurance pools in an effort to obtain the best coverage at the least cost for the township.

**The township is commended for regularly soliciting insurance proposals from insurance providers.**

### **Financial**

In 1999, the township budget costs for liability insurance was approximately \$418,441. The water and sewer utilities reimbursed the insurance account \$32,900 for the automobile, general liability and workers' compensation coverage. Below is a chart outlining the budget insurance costs.

|   |                  |
|---|------------------|
| Workers' Compensation                     | \$152,459        |
| Property/Casual (Includes Gen. Liability) | \$106,663        |
| Automobile                                | \$47,196         |
| Public Official & Police Professional     | \$56,559         |
| Excess Liability                          | \$21,721         |
| Accident Policies (Recreation & Fire Co.) | \$10,029         |
| Various Public Official Bonds             | \$3,814          |
| Deductibles                               | <u>\$20,000</u>  |
|   | <b>\$418,441</b> |

### **Safety Programs**

Safety programs are very important component to a municipality's risk management and loss control program. The township insurance agent conducts many safety and training programs for its clients each year. Officials from all municipalities are urged to attend.

Recent training topics have included confined space entry and police professional liability. Safety training programs, such as defensive drivers, are also conducted at Jefferson municipal facilities. The insurance agent has two safety engineers on staff to conduct training programs and assess safety conditions at municipal facilities. These insurance professionals work closely with each municipal department to address safety and training needs.

### **Safety Committee**

While the township receives significant safety programs and claims review from its insurance agent, a safety committee could further enhance its overall safety programs. Safety committees are intended to review claims and township policies to reduce, if not prevent, accidents in both the workplace and the community.

The township does not have an active safety committee. According to township officials, the township had a safety committee a few years ago, but now no longer functions.

A safety committee should meet, at the very least, on a quarterly basis and should include township officials, such as department heads and insurance professionals.

Overall, the township is doing a good job with its risk management and loss control. The township's loss ratio since 1993 in workers' compensation JIF is approximately 64%, which is lower than the JIF average.

### **Recommendation:**

**The township is commended for its risk management and loss control programs and its low workers' compensation loss ratio. It is recommended that the township enhance its safety and risk management/loss control programs with the reactivation of the safety committee.**

## **TECHNOLOGY**

Technology provides local government administrators with numerous opportunities for savings, including improved productivity and staffing realignments. Without proper planning and coordination, technology may become a costly re-occurring expense. The goal of management and office automation should be to use technology to promote a smarter and efficient organization while limiting the impact on resources. While LGBR found some very good uses of technology, the team also found the township could improve the coordination and utilization of technology in the township.

### **Staffing**

The township utilizes the services of two employees, one in the tax assessor's office and the other in the police department, to meet the technology needs of township staff.

The tax assessor spends approximately eight hours a week supporting all departments with the exception of the police department. The police sergeant spends approximately 36 hours a week on technology issues in the police department, where technology usage far exceeds the rest of the departments. Occasionally, the police officer may utilize additional officers for technology assistance. We also found the police officer provides support to other departments in the municipal building for phone service as well as hardware needs, as needed.

At this time, the current staffing with the detective sergeant and the tax assessor is adequately meeting the MIS and technology needs of the township. When appropriate, such as the retirement of the detective sergeant, the township should consider eliminating this position and replacing it with a full-time professional MIS position to address the department and the township's computer/technology needs.

While the elimination of the detective sergeant position is feasible, LGBR does not feel it is necessary at this time, because the detective sergeant is providing the police department and township with much needed technical assistance regarding MIS and technology issues, even though he is not doing much actual "police work." This change would not produce any dramatic savings, as the cost of a MIS professional could be approximately \$75,000 with salary and benefits.

## **Recommendation:**

**When appropriate, it is recommended that the township consider the elimination of the detective sergeant, at some time in the future and replacing this position with a MIS professional. At this time, the detective sergeant is adequately meeting the technology needs of the police department and the township.**

## **General Findings/Observations**

The LGBR team observed the following:

- The township had an informal technology committee but did not have a written technology plan.
- In 1999, the township expended an estimated \$100,000 on computer equipment and software.
  - All computer purchases utilized state contracts and were reviewed by the assessor or the designated MIS person in the police department.
  - The assessor was responsible for maintenance of all non-police computer equipment.
- The township has two servers: an email server and an applications server.
  - The email server allows departments to communicate with each other.
  - The applications server provides support for the two major software programs. The township currently operates one software platform for the finance office and another software platform for the tax collection office. In addition, the assessor utilizes another platform which is operated and maintained by the county.
- Basic computer training for employees was being offered to all employees.
  - All employees received Windows Outlook and Internet training.
  - Additional training for all employees in Microsoft Word was planned for the upcoming year.
- There was a need in the DPW to enhance automation.
  - The DPW had a stand alone computer with no capability to connect up to any of the major software packages in the township.
  - The DPW was in need of a work order system or inventory control system.
  - The construction of a fiber optic chase way had begun and was approximately 50% complete. Some technical difficulties were encountered due to the remote location of the DPW. The township expects to either complete the physical connection or do a wireless connection into the DPW complex.
- The animal control officer also has a stand alone computer at the shelter which was not connected to any of the current software packages. This was primarily due to its location being miles away from the municipal complex.
  - The data needs of this operation are expected to be transmitted via hard disks.

## **Infrastructure**

The township has approximately 42 desktop computers, three laptop computers and 27 printers. In addition, there are approximately 35 computers including eight mobile data terminals in the police department.

Based on prior reviews, the LGBR estimates that a local government should employ one full-time technology person for every 100-125 computers. Considering the team's findings in the MIS section of this report, the municipality appears to be adequately staffed for technology.

The team identified what appear to be five networks; one in the police department, three in the central administration, and one in the municipal court. The extent of connectivity between departments for E-mail communications is limited. The public works department cannot communicate with any other departments through internal E-mail and the township can connect with the schools through a web page connection in an emergency situation. The township does not have any policy or procedures governing computer and email usage.

In recent years, the county run assessment system, which is used to maintain data from the assessor's office, is being phased out by the county. In the past, the county maintained this system. This maintenance responsibility is now being transferred to the township. At the time of our review, the county was reportedly seeking requests for proposals to replace its current system. Depending on which software package is purchased by the county, the township will be required to utilize that package. The assessor's office is hoping that the package ultimately purchased by the county will be one compatible with the existing software packages within Jefferson.

## **Recommendation:**

**It is recommended the township establish policy and procedures defining acceptable use of technology for employees. E-mail and data on computer systems are considered public information and, therefore, subject to record management laws.**

## **Inventory**

Local governments often maintain inventory records for identifying purchasing patterns, depreciation, inventory control, and insurance claims. A detailed inventory differs from the required asset inventory in that it tracks inventory, helps eliminate employee theft, and provides greater detail for insurance claims, especially in the event of a catastrophic loss. The township maintains an inventory of all computers, computer parts and software. In order to establish our staffing ratio, a physical count of computers and equipment was also conducted.

**The township is commended for its detailed computer inventory.**

## **Technology Committee and Plan**

Many municipalities have a technology committee, consisting of department employees, community businesspersons and residents that provide valuable assistance to the township in developing and maintaining technology initiatives. Technology committees usually establish a

technology plan that provides political leaders and the community with documentation of coordinated technology activities and includes a budget that outlines capital expenditures for three-five years.

The township has an informal committee consisting of the township administrator, the tax assessor and the police sergeant, but does not have a formal technology committee or a technology plan. It is suggested a committee be formed and charged with performing a needs-assessment survey of every department, as well as an evaluation of current software packages, with an eye towards enabling current systems to communicate with each other. The township should also consider a joint technology committee with the board of education.

### **Recommendation:**

**It is recommended the township create a technology committee, comprised of an employee from each department, the board of education, residents and the business community.**

### **Website**

The township originally contracted a consultant to design the municipal web site. The original site provides residents with comprehensive information about municipal services, including township council meeting minutes. The township was in the process of changing vendors for the redesign of their website at the time of our review. Under the new website, the township plans to include planning board minutes, board of adjustment and health minutes and downloadable municipal forms. The township paid \$6,400 for the new website and included \$2,000 for the initial setup plus \$4,400 for the use of the server. The new site will allow the township to do their own updates and maintenance.

The update will include the township E-mail address and a service center to respond to any requests from local residents. The new site will also provide information on when a request came in, which department it was referred to, and the final disposition of the request. Since the cost of the web redesign did not exceed \$12,800, which was the bid threshold effective July 1999, the township was not required to formally bid this service.

The website provides a link to the municipal codebook, which is very helpful and informative.

**The township is commended for its informative website.**

### **Police Department**

The police department utilizes two separate servers for the computer-aided dispatch (CAD) and the police record, while the chief's secretary also has a link to the finance system for the purchasing function. The department has 29 computers including eight mobile data centers and desktops, and 21 workstations.

### **Shared Services**

Local governments can obtain additional technology expertise from their local school district. At the time of our review, Jefferson was not involved with the school board for any joint technology projects. Technology is an area which is well suited for schools and municipalities to share expertise, personnel and equipment.

### **Recommendation:**

**It is recommended that the township and the school district evaluate potential areas for technology related shared services. A few municipalities have established a joint committee to review, evaluate and implement shared service initiatives, including technology issues.**

### **Conclusion**

In general, Jefferson's use of technology is more advanced than many municipalities; however, the team found a need for stronger coordination of technology utilization. Many of the issues the team found are generally preventable when municipalities coordinate technology initiatives with input from a technology committee. For example, the team found different software packages in tax assessor, finance, building and courts. Each department had individually selected the package that suits their needs. While some systems are required by the state agency which oversees the departments, a technology committee may have found integrated software that meets the needs of each department and merges departmental data for comprehensive organizational use. The township may benefit by consolidating major software packages for the operation of township business. Planning for such a move is suggested. The software ultimately purchased by the county will also have a significant effect on the future direction of technology for the township.

Ultimately, the township needs to establish a technology committee and perform an organizational needs-assessment survey. A needs-assessment survey, among other things, evaluates how technology can improve efficiency and effectiveness through technology usage, both within each department and the organization collectively. Once completed, the technology committee can then begin to construct a technology plan that outlines an infrastructure of office automation devices (facsimile and specialty equipment), computers, networks and communication systems (E-mail and phone systems).

### **Recommendation:**

**It is recommended that the township conduct a needs assessment survey to determine the technology needs of the municipality and its departments. A technology committee consisting of department employees, community businesspersons and residents is best suited for this type of survey.**



## **LEGAL**

The township hires a township attorney, a labor attorney, a planning board attorney, a board of adjustment attorney, a prosecutor and a public defender. The planning board attorney and board of adjustment attorney are addressed in the planning section.

### **Township Attorney**

In 1999, the township attorney, who is appointed annually by the township council, received approximately \$131,157 in payment for all legal services to the township. The township attorney, who is not an employee of the township and does not receive any health benefits, is paid through the voucher system. The current township attorney has served as township attorney for approximately 19 years.

A contract is executed each year and expected services and fees are clearly outlined. The township attorney is paid an annual retainer of \$60,000. The retainer covers attending all township council meetings, review of correspondence, telephone communications; communications on behalf of the township, preparation of ordinances, and the rendering of legal opinions requested by the township council.

Work not included in the retainer is paid at a rate of \$125 per hour. Tax foreclosure work, work related to bonding, and all litigation work is not included in the retainer. In 1999, the township attorney was paid \$62,056 related to bonding, tax foreclosure and litigation costs.

The contract also includes a retainer for \$6,000 to represent the water department and \$3,000 to represent the sewer department. All general legal services, telephone conferences, general correspondence, legal opinions, acquisition of properties, bonding work and litigation are not covered by the retainer and are billed at a rate of \$125 per hour. In 1999, the township attorney did not perform any water and sewer work not included in the retainer.

According to the township attorney, the annual cost for his legal services is approximately \$125,000. In 1999, the actual cost was a little higher due to a major case related to rezoning.

As stated above, the township attorney is paid an annual retainer of \$60,000, which is paid in monthly installments of \$5,000. According to a state attorney general opinion regarding the payment of municipal auditors and applicable to municipal attorneys, payments cannot be rendered to a municipal attorney until after services have actually been rendered and after other provisions of Local Fiscal Affairs Law N.J.S.A. 40A:5-16 has been complied with. Upon review of finance records, LGBR found instances where the voucher for the monthly \$5,000 retainer was initiated and/or paid before the end of the month and, thus, before all monthly services where actually rendered.

### **Recommendation:**

**It is recommended the township comply with proper payment procedures outlined in the Local Fiscal Affairs Law and see that legal services and other professional services are not paid for until after the services are actually performed.**

**Labor Attorney**

In 1999, the labor attorney, who is appointed annually by the township council, received approximately \$17,331 in payment for legal services to the township. The labor attorney, who is not an employee of the township and does not receive any health benefits, is paid through the voucher system.

A contract is executed each year and expected services and fees are clearly outlined. The labor attorney is paid an annual retainer of \$12,000. The retainer covers general legal services, normal telephone communications, communications on behalf of the township, general correspondence and legal opinions.

Work not included in the retainer is paid at a rate of \$125 per hour. All litigation, arbitration, negotiations and grievance proceedings are not included in the retainer. In 1999, the labor attorney was paid \$5,331 related to litigation, arbitration, negotiations and grievance proceedings.

**Prosecutor and Public Defender**

The prosecutor, like the public defender, is not a part of the court staff but has a court related function. According to the prosecutor's contract, a rate of \$300 per hour is paid to provide all duties and obligations of the position of township prosecuting attorney. In 1999, the township paid the prosecutor \$11,600. The prosecutor, who is not an employee of the township and does not receive any health benefits, is paid through the voucher system.

A request for public defender representation by a defendant is made by submitting an application to the court. Assignment of the public defender is granted by the court based on the criteria of seriousness of the offense and possible penalties in the event of a finding of guilt. The township ordinance requires the defendant to post a \$100 fee, which can be waived, by the court, and must be paid prior to the defendant going to trial. The court administrator maintains a manual tracking system of public defender cases and the fee.

The public defender is paid by voucher, on a per case basis. During 1999, \$3,000 was paid and the public defender received no benefits.

**Contract Specifications**

Overall, the provisions and requirements of the attorneys' agreements were adequately defined. The resolutions appointing legal professionals for the township were executed and agreements clearly outlined fees and expected services.

**Recommendation:**

**The township is commended for its clear and concise contract specifications for legal staff. It is suggested that the township continue to execute professional contracts for all legal staff. All contracts and appointing resolutions should clearly delineate expected duties and responsibilities and fees for service. All contracts and the appointing resolutions should have a cap or an amount that should not to be exceeded. This helps to allay questions and confusion, as well as, to easily identify the provisions of each contract. It is also**

**recommended the township solicit requests for proposals regularly from interested law firms to ensure competitive prices and quality of services. N.J.S.A. 40A:11-15 provides that no contract for legal services shall be executed for a period longer than 12 months.**

## **FINANCE**

Within the department of administration and finance, there is a division of treasury, which is headed by the chief financial officer (CFO). The division of treasury, or finance office, is responsible for the treasury and cash management functions.

### **Staffing/Functions**

The finance office is staffed with three full-time positions: a chief financial officer (CFO), a supervisor of accounts, and a payroll/personnel clerk.

The chief financial officer is a certified municipal finance officer (CMFO), a registered public purchasing official and a certified tax collector. The CFO also oversees the purchasing function and purchasing staff within the township. The supervisor of accounts, who serves as the deputy finance officer, is also a CMFO. The payroll/personnel clerk handles payroll, personnel and other finance functions.

Collectively, these individuals manage the following processes: financial and budgetary activities, cash management, payroll and personnel function, and accounts receivable/accounts payable.

### **Financial**

In 1999, the finance office had a salary and benefit cost of \$167,451 and expended \$3,185 in overtime. Approximately \$68,225 in other expenses was also spent. The annual audit and computer consultant costs accounted for approximately 85% of the other expenses. The total cost of the finance office in 1999 was \$238,861.

### **Annual Audit**

An auditing firm is hired annually to perform the annual audit, as required by N.J.S.A. 40A:5-4. The basic fees outlined in the contract for the 2000 audit totaled \$34,300 and included the municipal (\$21,500), the water utility (\$8,000), the sewer utility (\$3,000), and the garbage district, open space trust and the recreation trust (\$300 each). Additional services, which were not specifically addressed in the contract, are paid according to a fee scheduled outlined in the contract. Fees range from \$120 per hour for work by a partner to \$45 per hour for work by administrative staff. According to finance records, the auditor was paid \$46,351 in 2000.

### **Overview**

The LGBR review team observed that while the CFO does a good job managing the township's day-to-day financial needs, the recording keeping and archiving could be improved. The township had some difficulty retrieving purchasing information. We have also noted and

observed that, due to the CFO's present workload, she has been unable to devote significant time to this area. Prior to our arrival, the purchasing office had reorganized its purchase orders. The township should continue to improve its record keeping and archiving.

## **CASH MANAGEMENT**

This section analyzes Jefferson Township's management of its cash balances, based on discussions with the chief financial officer (CFO), who is directly responsible for managing the town's bank accounts. Specifically, it provides a detailed analysis of monthly bank statements of each account to identify average daily balance, fees charged, interest paid, if any, and the interest rate conducted for the calendar year 1999.

Cash management may be defined as all activities undertaken to insure maximum cash availability and maximum investment yield on a government's idle cash. This process is concerned with the efficient management of cash from the time revenue is earned to the time an expenditure payment clears the bank. The purpose is to ascertain the existence of a cash management plan and to compare current cash practices to the contents of the plan. We will also determine if the cash practices result in the most effective return measured against generally accepted benchmarks.

### **Cash Flow/Cash Management Plan**

In accordance with N.J.S.A. 40A:5-14 of the Local Fiscal Affairs Law; all municipalities are required to adopt a cash management plan. Municipalities shall deposit and invest its funds pursuant to this plan. Jefferson annually passes a resolution giving the township treasurer the authority to make investments and another resolution designating the local depositories, which are required parts of the cash management plan. Jefferson's daily cash flow and account balances are monitored closely by the chief financial officer and are periodically overseen by the township administrator.

The township appears to have a good handle on its flow of funds, although a formal cash flow analysis is not done and written agreements with its banks are not executed. Bank accounts are monitored and managed on a daily basis to ensure that excess balances maximize their yield on investments.

Additionally, only active and necessary accounts remain open, which helps to minimize the administrative overhead in maintaining these accounts. Cash forecasting is an important management tool, which allows management to maximize short-term investments, avoid cash shortfalls, compare forecasted data against actual data as an internal control check, manage the timing of cash disbursements and other control related functions necessary to properly manage the cash function.

The township earns excellent interest rates on its cash balances, which are maintained in the NJCMF. The township maintains an average of \$4 million in this fund. The fund does not provide normal banking services such as check processing. Instead, the purpose of NJCMF is to

“park” longer term funds until they are needed and then to transfer them to “regular” checking accounts. In 1999, the NJCMF interest rate ranged from 4.74% to 5.46%, for an average interest rate of 5% and earned the township \$223,000.

LGBR utilizes the NJCMF as the benchmark because of its above average interest rates compared to typical bank accounts. Presently, Jefferson is utilizing the NJCMF as its primary investment instrument and is doing an excellent job on monitoring and managing their idle cash reserves.

**The township is commended for its daily monitoring and management of its excess cash balances in the accounts in order to maximize their investment potential.**

The township should implement a comprehensive cash management plan which includes: (a) designated official depositories; (b) scheduled deposit of funds; (c) definition of allowable investment instruments; (d) definition of acceptable collateral and protection of borough assets; (e) compensating balance agreements; (f) reporting procedures; (g) diversification requirements; (h) maximum maturity policy; (i) investment procedures; (j) return on investment policy; (k) internal controls; (l) bonding coverage; and (m) compliance issues.

#### **Recommendation:**

**While the township does a commendable job managing and investing its cash, it is recommended that the township consider developing and adopting a comprehensive cash management program to address its short and long term needs.**

**The township should also consider formalizing its banking arrangement into annual written agreements with the various banks in order to better assess fees being charged and analyze services being provided. This will help to allay questions and confusion, as well as provide for easy identification of the provisions with each financial institution. This will also reinforce the continuity of the good practices of the CFO in the event of her absence or unavailability.**

#### **Account Analysis**

The township maintains 25 accounts in total with six different banks and five accounts invested in the New Jersey Cash Management Fund (NJCMF), for a total of 30 accounts. The NJCMF accounts earned \$223,000 in interest in 1999 and received an average return of 5%. Overall, all accounts maintained an average account balance of \$4,219,109 and earned \$329,754 in interest. The CFO states that the reason for the seven different banking relationships is to:

- Increase competition of services and benefits provided to the municipality;
- Lessen risk for losing principal and earnings;
- Prevent the co-mingling of funds since certain funds are required to be kept separately, i.e., open space, Acutrak, dog trust, recreational etc; and
- To not show preference in establishing banking relationships with community banks.

The banks provide monthly bank statements for each bank account. Most of the township accounts are in interest checking, while others are in money market accounts, which earn higher interest rates. The cost for banking services is not included in the monthly bank statements; thus, the township does not have an accurate assessment of its total banking costs.

All accounts are under an “account analysis” on a monthly basis after all accounts are reconciled. The cash position of each account is ascertained at the end of each month, while checking balances in accounts are analyzed on a daily basis.

### **Banking Services and Products**

Jefferson Township has limited automated on-line services and is limited to the following transactions; direct payroll transactions and wire transfers. The banks have not provided to the township automated on-line services, such as balance reporting. This mechanism enables the commercial client to access a real time accounting of the fund balances in any of its cash accounts. This service, as well as others, may be a viable alternative to a manual system, even for the smaller commercial customer. Currently, up-to-date account balances are ascertained only through the daily monitoring and managing of the township cash flow by the finance function.

### **Recommendation:**

**It is suggested that the township meet with its government-banking representatives to discuss user needs versus product offerings and include this provision of on-line services.**

### **Bank Reconciliations**

Based upon discussions with the CFO, all bank accounts must be reconciled at the end of each month. It takes on average 30 minutes each month to reconcile each account totaling six annual hours. Three finance staff positions handle the bank reconciliations. The responsibilities for reconciliations of accounts are as follows:

- CFO - responsible for payroll agency, and community development block grants;
- Supervisor of accounts – responsible for net payroll account; and
- Payroll clerk – responsible for all other accounts.

**The township is commended for its internal controls, which has a proper separation of duties regarding reconciliation of bank accounts.**

### **Overview**

The LGBR review team observed that the CFO does a good job managing the township’s cash balances to meet their day-to-day financial needs, but there are a few areas to improve upon.

### **Recommendation:**

**It is recommended that the township expedite its negotiations with its banks to obtain competitive interest rates and bank services in an effort to increase interest rates and reduce fees for bank services provided. It is suggested the township solicit requests for**

banking services periodically. According to N.J.S.A. 40A:11-15, contracts for professional services, such as banking services, cannot be made for periods of more than 12 consecutive months. This is a perfect opportunity for a public entity to review its banking practices and look for new methods to improve its banking relationship(s). The extent of the information provided depends on the nature and scope of the request. It can be a brief summary or a detailed report, such as a Request for Information (RFI), a Request of Quotation (RFQ) or a Request for Proposal (RFP). Also, the township's banking proposals should require that the bank provide a detailed monthly account analysis illustrating all service and per unit charges. The bank account analysis shows the various charges, compensating balances, and the average daily balances. Accordingly, with an account analysis a monthly average available balance can be determined, which is necessary in order to compute potential earnings.

## BUDGET

The township administrator distributes budget requests to departments in September each year. In October and November, the budget requests are returned to the administrator. The administrator reviews each request and meets with each department and the mayor. The mayor then presents the budget to the township council in early January. After several budget hearings, the council usually introduces the budget in February or March. The budget is usually adopted in April or May.

The administrator is considering establishing a finance committee consisting of two council members to assist with the budget review and preparations. LGBR feels this would be a good practice, as it will allow the governing body to gain a better understanding of the budget and the budget process.

### Budget/Tax Rate

While the municipal budget has increased by 23.9%, the municipal tax rate has decreased by 0.9%. The municipal tax rate increased in 1996 and 1998 and decreased in 1997 and 1999. During this five-year period, the county tax rate has decreased by 0.3%, while the school tax rate has increased by 6.5%. The overall tax rate has increased 3.6%. Below is a comparison of the municipal tax rate and overall tax rate, which includes the school and county apportionment.

|                           | <b>1995</b>  | <b>1996</b>  | <b>1997</b>  | <b>1998</b>  | <b>1999</b>  |
|---------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Municipal Tax Rate</b> | 0.680        | 0.692        | 0.683        | 0.686        | 0.674        |
| <b>County Tax Rate</b>    | 0.332        | 0.324        | 0.332        | 0.326        | 0.331        |
| <b>School Tax Rate</b>    | 1.510        | 1.536        | 1.565        | 1.594        | 1.608        |
| <b>Total</b>              | <b>2.522</b> | <b>2.552</b> | <b>2.580</b> | <b>2.606</b> | <b>2.613</b> |

### Financial Projections

The Township of Jefferson assumes a fiscally responsible approach when it comes to its financial projections. In general, revenues and surplus are anticipated at appropriate levels and the projected tax collection rate has been anticipated at an acceptable level.

### *Surplus*

The chart below represents a five-year history of the township's fund balance and indicates a significant increase in surplus since 1995. The largest increase took place from 1996 to 1997, when the ending surplus balance increased \$649,930 or 70%. In fact, the amount of surplus has increased by more than 300% from 1995 to 1999.

|                                    | 1995        | 1996         | 1997         | 1998         | 1999         |
|------------------------------------|-------------|--------------|--------------|--------------|--------------|
| Municipal Budget (adopted)         | \$9,763,555 | \$10,526,066 | \$11,321,195 | \$11,957,109 | \$12,098,786 |
| December 31st Surplus – Prior Year | \$521,698   | \$923,390    | \$1,573,320  | \$1,905,134  | \$2,249,824  |
| Surplus Percentage                 | 5.3%        | 8.8%         | 13.9%        | 15.9%        | 18.6%        |

The chart below indicates the township has also significantly increased the amount of surplus used as revenue while decreasing the percentage of surplus used as revenue. Over the last three years, the township has anticipated 50-60% of its surplus as revenue.

|                                    | 1995      | 1996      | 1997        | 1998        | 1999        |
|------------------------------------|-----------|-----------|-------------|-------------|-------------|
| December 31st Surplus – Prior Year | \$521,698 | \$923,390 | \$1,573,320 | \$1,905,134 | \$2,249,824 |
| Anticipated as Revenue*            | \$350,000 | \$700,000 | \$800,000   | \$1,190,000 | \$1,190,000 |
| Percentage Used                    | 67.1%     | 75.8%     | 50.8%       | 62.5%       | 52.9%       |

While there is no prescribed percentage or amount of surplus that is deemed as adequate for municipalities, each municipality should have an adequate surplus. As a general rule, it is recommended that the amount of surplus anticipated as revenue in any budget be limited to the amount that can be reasonably assumed to be generated in the next year. Over the last five years, the township has met this general guideline.

### *Projected Tax Collection Rate*

In 1999, the projected tax collection rate was 95.39% and the actual rate was 96.69%. In 1998, the projected rate was 95.31% and the actual rate was 96.03%. In 1997, the township used a projected rate of 95.36% and the actual was 96.27%. In 1996, the projected tax collection rate was 95.28% and the actual rate was 95.88%. In comparison to the actual tax collection rate, the projected collection rates are appropriate.

### *Revenues*

In 1999, total revenues realized were \$12,979,016 compared to total anticipated revenues of \$12,266,514. This amounted to excess revenues of \$880,230 or 7.3%. Similarly, actual revenues for 1995 through 1998 ranged from approximately 7.7% to 12.8% greater than budgeted revenues.

The township also received miscellaneous revenues, not unanticipated, known as MRNA, in 1999 in the amount of \$78,404. While some of these revenues reoccur annually, most can have significant fluctuations from year to year. Thus, it is appropriate to keep these revenues as MRNA, with one exception. Over the last four years, the township received between \$6,000 and \$8,000 from the sale of leaf bags. The township should anticipate the leaf bag revenue in the municipal budget, which would provide a revenue enhancement of at least \$6,000.



**Recommendation:**

**It is recommended the township anticipate fees from leaf bag sales as revenue in the next municipal budget. This will provide a revenue enhancement of approximately \$6,000.**

**Revenue Enhancement: \$6,000**

**Debt Service**

The goal of any municipality that seeks to properly manage its debt service is to stabilize its debt payments in such a way so as to avoid severe fluctuations. As of December 31, 1999, the township was carrying \$9,761,561.60 in net debt, including \$138,333 of bonds and notes authorized, but not issued.

The township is limited by state statute (N.J.S.A. 40A:2-6) to a maximum bonded indebtedness equal to 3½% of its equalized assessed valuation annualized over three years. According to the township's 1999 audit report, the statutory net debt increased from .59% to .79%. The increase occurred because a portion of the sewer and water utility debt was included in the calculation because the utility was not self-liquidating in 1999. When a utility is self-liquidating, utility debt is not included in the net debt calculation.

In 1999, the township's debt service payments were \$760,441 in principal and interest for bonds and notes. The CFO submits a spreadsheet showing annual debt service payments to the governing body for the upcoming budget year.

| <b>Debt Service</b>   | <b>1995</b> | <b>1996</b> | <b>1997</b> | <b>1998</b> | <b>1999</b> |
|-----------------------|-------------|-------------|-------------|-------------|-------------|
| <i>(appropriated)</i> | \$721,217   | \$624,067   | \$844,782   | \$745,600   | \$760,521   |

**Capital Improvements**

In 1999, the township council passed one bond ordinance for capital improvements, not including water and sewer improvements, which authorized debt totaling \$1,520,000 and also appropriated \$487,273 from the capital improvement fund. Funds appropriated from the capital improvement fund do not authorize debt and are sometimes referred to as "pay as you go" financing. These funds were allocated for various projects including, road projects, facility improvements, and equipment and property purchases. The township appears to be funding capital projects with an adequate mix of bonding and "pay as you go."

**The township is commended for funding capital improvements with a mix of "pay as you go" and bonding.**

**Audit Findings**

A review of the audit findings of the last five years revealed a significant decrease in the number of recommendations.

In 1995, the township auditor identified 32 recommendations, 13 of these recommendations were also identified in 1996. In 1996, the township auditor identified 13 recommendations, 10 of these recommendations were also identified in 1996. The 1997 audit contained eight

recommendations, with six being carried over from the prior year. The 1998 audit contained five recommendations with two recommendations identified in the prior year. The 1999 audit report had zero recommendations.

**The township is commended for improving the financial condition of the township over the last five years and for its elimination of audit comments and recommendations.**

## GRANTS

Obtaining grant money is a way for a municipality to subsidize the costs of capital improvements and services to its citizens without taxing their residents. Grants are available from the federal, state and county levels of government. In 1999, \$847,134 in grant money was received and represents awards from applications approved in 1997, 1998 and 1999. Jefferson applied for and received funds for the following grants in 1999.

### Federal Grants:

- *Community Development Block Grant*
- *COPS Fast Grant*

Jefferson Township traditionally applies for and receives grant money from the Community Development Block Grant program commonly known as CDBG. In 2000, Jefferson received a grant in the amount of \$40,000 to replace a water main in the Prospect Point section of town. Besides applying for grants to improve public facilities and make them handicap accessible, the township also subsidizes their dial-a-ride program which is one of the most effective services the township offers to senior citizens and individuals with disabilities. In 1999, \$20,000 was awarded and used to purchase a third bus. The table below categorizes the CDBG awards for a four-year period.

| Year | CDBG Projects  | Award     |
|------|--|-----------|
| 1997 | ADA modifications to library                                   | \$18,000  |
| 1998 | Purchase lot to enhance parking at Jefferson Day Care facility | \$30,000  |
| 1999 | Improvements to water main                                     | \$45,000  |
| 1999 | Purchase of senior bus for dial-a-ride program                 | \$20,000  |
| 1999 | ADA improvements to Camp Jefferson                             | \$30,000  |
| 2000 | Improvements to water and sewer facilities                     | \$40,000  |
| 2000 | Senior housing lot improvements                                | \$170,000 |

Source: Morris County Community Development Department

Available to the township are funds under the jurisdiction of CDBG, earmarked for housing known as the HOME program. Jefferson was awarded \$170,000 in 2000. It is anticipated that the township will use the money to improve the site of the proposed senior citizen housing community on Berkshire Valley Road.

The police department received an award of \$68,301 from the COPS Fast Grant program. This grant provides money to subsidize the salaries of new officers in the police department. The police department also secures grants from the state and the county.

**State Grants:**

- *Drunk Driving Enforcement Fund*
- *Alcohol Education and Rehabilitation Fund*
- *Law and Public Safety Grant*
- *Transportation Trust Fund*
- *Clean Communities Grant*
- *Green Acres Matching Grant*
- *General Assistance Fund*

The New Jersey Department of Motor Vehicles provides funds for driving enforcement under the title of the Drunk Driving Enforcement Fund and the Alcohol Education and Rehabilitation Fund. The police department received \$14,245 and \$5,837, respectively. The department also received \$4,000 from the New Jersey Department of Law and Public Safety.

Jefferson's Department of Public Works (DPW) received an award of \$180,000 from the New Jersey Transportation Trust Fund Authority. Approximately \$130,000 was used to repave 2.2 miles of Weldon Road and improve the drainage along the road. The remaining \$50,000 will be utilized for bike path improvements.

The Department of Environmental Protection awarded \$35,406 under their clean communities grant to be used in conjunction with the township's recycling program and \$432,400 under a green acres grant.

Jefferson Township has an active Open Space Advisory Board, an open space tax and a recreation tax. The above funds from green acres will subsidize the purchase of lands at Prospect Park Reserve, Woodchuck Hollow and Oak Ridge Park.

The social service director will distribute \$22,660 received from the New Jersey Department of Human Services to residents in need of general assistance.

**County Grants:**

- *Open Space Preservation Grant*
- *Municipal Alliance Grant*

Morris County Open Space Preservation program allocated \$150,000 in 2000 to Jefferson Township to be used for the acquisition of land to be preserved as open space. Again, the police department applied for and administered \$11,945 from the county through their municipal alliance program. The money is used for alcohol and drug education.

The table lists the grants, the revenue received, expended and the balance of funds for 1999 that was discussed above.

| <b><u>1999 Grants</u></b>                       | <b><u>Revenue</u></b> | <b><u>Expended &amp; Encumbered</u></b> | <b><u>Balance</u></b> |
|---|-----------------------|---|-----------------------|
| CDBG Improvements to Water Main                 | \$45,000              | \$0                                     | \$45,000              |
| CDBG Bus Purchase for Dial-A-Ride program       | \$20,000              | \$20,000                                | \$0                   |
| CDBG ADA Improvements to Camp Jefferson         | \$30,000              | \$0                                     | \$30,000              |
| COPS Fast Grant                                 | \$68,301              | \$68,301                                | \$0                   |
| Drunk Driving Enforcement Fund (DMV)            | \$14,245              | \$4,481                                 | \$9,764               |
| Alcohol Education and Rehabilitation Fund (DMV) | \$5,837               | \$0                                     | \$5,837               |
| Law & Public Safety                             | \$4,000               | \$1,822                                 | \$2,178               |
| Transportation Trust Fund (DOT)                 | \$180,000             | \$128,259                               | \$51,741              |
| Clean Communities (DEP)                         | \$35,406              | \$15,593                                | \$19,813              |
| Green Acres Matching Grant (DEP)                | \$432,400             | \$0                                     | \$432,400             |
| Municipal Alliance (County)                     | \$11,945              | \$3,720                                 | \$8,225               |
| <b>TOTALS</b>                                   | <b>\$847,134</b>      | <b>\$242,177</b>                        | <b>\$604,957</b>      |

Source: Jefferson Township 1999 Audit Report, the Community Development Office in Morris County and correspondence from NJ Department of Environmental Protection.

Files for some grants are kept in the office of the township clerk, while other grant information is generally kept in the department that obtains the grant. The police department does a good job retaining grant files with complete applications and status reports. The township clerk's office has recently reorganized township files, but there was still difficulty obtaining grant information due to the decentralized nature of the grant work in the township.

The township may wish to consider hiring a grant writer. The LGBR school team, which conducted a review of the Jefferson Board of Education, identified a similar need for a grant writer on a part-time or shared basis. Since employing the services of a grant writing firm is needed for the town, the township should consider redefining the duties of the consulting planner to include grant writing and administering the funds on a flat fee basis. This option could also be used as a joint venture with the Jefferson Board of Education. By employing a grant writer, grants management would become more centralized.

### **Recommendation:**

**It is recommended that the township consider employing a grant writer on a part-time or shared basis with the Jefferson BOE. Developing a partnership with the school district in the general area might identify someone who could fill the job, providing a cost saving to both entities. Other school districts have developed effective shared arrangements to seek and write grants that may be worth examining.**

There are areas of funding not yet sought by the township, such as the smart growth grants through the New Jersey Office of State Planning that would benefit the township's planning and zoning initiatives. Occasionally, the division of tourism has funds available to promote events. The township should investigate this source of funding to offset the impact of the vast recreational areas on local taxpayers. The township should also inventory the houses that would qualify for rehabilitation grants administered by the county HOME program to insure that their housing stock is being maintained and they are getting a fair share of the funds.

**Recommendation:**

**It is recommended that the township pursue other grant sources identified above.**

## **PURCHASING**

Purchasing involves reviewing the routine process for purchasing goods and services in a variety of departments. The review will establish whether or not there is an adequate process in place. Adequacy is defined as a system that permits staff people to get the supplies needed with a minimum of hassle, yet, with a good system of internal controls.

**Staffing**

The purchasing department is staffed with two full-time employees, an assistant purchasing agent and a clerk-typist. Purchasing staff report directly to the chief financial officer. Currently, the CFO is designated as purchasing agent for the township.

In Spring, 2000, the purchasing function was restructured due to the New Jersey Procurement reform, which changed purchasing regulations within the Local Public Contracts Law. The township administrator had previously served as purchasing agent for the township and supervised the purchasing staff.

According to the new regulations, the bidding threshold was increased to \$17,500 for all municipalities. If the municipality has a "qualified purchasing agent," the threshold is increased to \$25,000. Jefferson's CFO meets the requirements as a qualified purchasing agent because she is also a Registered Public Purchasing Official. In order to take full advantage of the new purchasing regulations, the CFO was named purchasing agent.

According to the municipal codebook, the business administrator shall serve as the purchasing agent. The township needs to revise the codebook to reflect the designation of the CFO as purchasing agent.

**Recommendation:**

**It is recommended that the township attorney review the municipal codebook regarding the purchasing agent designation and make appropriate changes.**

**Financial**

In 1999, the salary and benefit cost for the purchasing office was \$61,148. An additional \$167 for overtime was expended during this period. Other expenses are embedded in the department of administration and finance budget and are difficult to determine.

**Analysis**

While there is no purchasing manual for the township, claims procedures are outlined in the municipal code book, chapter 1A. Bill lists are approved at township council meetings.

Written requisitions are generated by each department and submitted to the administrator for approval. Once approved, it is sent to the purchasing department where the purchasing agent encumbers the requisition and certifies the availability of funds.

The purchasing agent generates the purchase orders (POs) and returns to the initiating department for their review and confirmation. The administrator then signs the PO, and it is sent to the vendor for signature. The signed and returned PO, along with the bill, are forwarded to the purchasing department where it is copied and filed by vendor's code with the backup information. The originals are then sent to the finance department, where it is reviewed and recorded on the bill list. This PO package or bill list, along with a check, is generated for payment by the finance officer, and sent to the township council for approval. Once the bill list is approved, the checks are stamped and sent to the vendors for payment of goods or services. In 1999, approximately 11,000 purchase orders (PO's) were processed.

The police and welfare departments are responsible for generating and encumbering their own POs and have a direct link into the finance/purchasing system. The payment and filing of those POs are the responsibility of the purchasing department.

The finance department has implemented a policy known as the "3 day rule," which states that all requisitions received in the purchasing office must be processed in three days. That is, upon receipt of a written requisition, the purchasing office must encumber and generate a PO within 72 hours. This policy was implemented by the current CFO to address delays in generating POs. According to the CFO, this policy has worked well for the township and its departments.

**The township is commended for taking measures to improve its purchasing process.**

Upon a review of purchase orders, LGBR found many instances where invoice dates preceded requisition dates. Thus, orders are being placed by departments prior to the processing of a requisition. More importantly, orders were placed before the purchase order was encumbered, which is a violation of purchasing regulations.

A sampling of DPW POs showed that most POs were not properly encumbered, as the requisition date was after the invoice date. Many municipalities use monthly open-ended or blanket purchase orders for equipment and supplies needed on a regular basis. This method allows a department like the DPW to continue to operate and properly encumber funds. For example, a DPW may have a monthly \$1,000 purchase order with the local auto supply shop, which the department can draw from during the month to fix vehicles on a timely basis.

The township should review purchasing regulations, especially encumbrance procedures, with all township departments and determine how to meet encumbrance requirements and allow departments such as the DPW to continue to function.

**Recommendation:**

**It is recommended that the township reviews purchasing and encumbrance procedures with all key personnel and use monthly blanket purchase orders wherever necessary.**

In 1999, there were three emergency appropriations. There was a \$50,000 special emergency for damage caused by Hurricane Floyd, a \$150,000 appropriation for the water utility due to a drought emergency, and a \$100,000 special emergency for the Wastewater Management Plan.

### **Automation**

The finance department's software provides the township with an automated purchasing process. The purchasing department has a computer to process POs and claims payment, which has greatly enhanced the township's ability to maintain records and process purchase orders.

The system, however, has some limitations. For example, it is not able to process multiple POs on one check if there are different account numbers or different banks are used. The system can write one check for multiple POs only if all are from the same account number and the same bank is used. Future enhancements could include electronic requisitioning. Automated requisitioning could further decrease turnaround time and decrease typing now duplicated in the current requisitioning process.

### **Cooperative Purchasing**

Jefferson participates annually in the Morris County cooperative purchasing program. The township surveys the prices in the county co-op, state contracts and local vendors in an effort to obtain the lowest prices for the township.

### **Recommendation:**

**The township is commended for pursuing cooperative purchasing ventures. It is recommended the township continue to consider cooperative purchasing efforts.**

The township is also encouraged to compare office supply purchases with the prices of the Distribution and Support Services (DSS), which purchases supplies for all state offices. All schools and municipalities may purchase supplies from DSS. Since they purchase such large quantities of items, their prices are often better than what a municipality can purchase similar supplies.

### **Recommendation:**

**It is suggested that the township use the Distribution and Support Services as one of its vendors to compare the costs of equipment and supplies.**

### **Photocopiers**

Photocopiers represent a major business expense to all departments in the township. A review of the township's copier contracts found that the township received bid proposals for the purchase of two copiers in January, 1998. One copier was the main copier for all township departments and the other copier was for the police department. The purchase cost for the two copiers was \$10,796 and \$5,041, respectively. There was also a buyout cost of \$18,293 for transition from an existing lease agreement to a direct purchase agreement and there was also a cost of copy fee of \$10,500. Below is a breakdown of the total cost for the purchase of these two copy machines.

|                              |                    |
|------------------------------|--------------------|
| Buyout                       | \$18,293.00        |
| Main Copier Purchase Price   | \$10,796.50        |
| Police Copier Purchase Price | \$5,041.45         |
| Cost of Copy                 | \$10,500.00        |
| <b>Total</b>                 | <b>\$44,630.95</b> |

“Cost-per-copy” (CPC) contracts are essentially rental agreements where the user pays for a specified number of copies and charged for excess copies over that allotment. These contracts include all maintenance and supplies with the exception of paper and staples. LGBR has found that CPC contracts are generally less expensive than leases or purchases and allows the local governments the option of upgrading copier equipment every three years.

The team compared the township’s current copier arrangement to the NJ State cost-per-copy contract T0206. The police department also has another copier, which was not included in the analysis due to the low monthly usage, less than 100 copies per month. In 1999, the township paid \$675 for an annual maintenance contract for this machine.

Using an expected useful life of seven years for a copy machine, the township’s annual cost is \$6,376. Based upon the monthly copy usage between June, 2000 and October, 2000, the annual copier costs under the CPC would total \$4,424. The annual cost for the main copier would be \$2,648, based upon 15,876 copies per month, and an annual cost of \$1,776 for the police copier, and based upon 6,884 monthly copies.

If the township used the “cost-per-copy” contract, it would cost them \$4,424 annually as opposed to \$6,376 and would result in a cost saving to the township of \$1,952. A spreadsheet showing the CPC costs is located in Appendix B.

### **Recommendation:**

**It is recommended that the township consider using the state’s cost-per-copy contract.**

**Cost Savings: \$1,952**

### **Paging and Cellular Telephone Services**

The township has 20 cellular telephones and 39 pagers which are assigned to township personnel. After reviewing township communication contracts, LGBR found that four different vendors were providing cellular telephone services while paging services being provided by one vendor. Below is a breakdown of the departments using cellular telephones and pagers.



| <b>Departments</b>         | <b># of Cell Phones</b> | <b># of Pagers</b> |
|----------------------------|-------------------------|--------------------|
| Administration             | 2                       | 2                  |
| Police                     | 9                       | 14                 |
| Fire Company               | 4                       | 6                  |
| Department Of Public Works | 3                       | 6                  |
| Court Office               | 1                       | 1                  |
| Water Department           | 1                       | 1                  |
| Other                      | 0                       | 9                  |
| <b>Totals</b>              | <b>20</b>               | <b>39</b>          |

\*Other departments include recreation, building, health, tax assessor and welfare.

In 1999, cellular telephone costs were \$7,202 and paging costs were \$9,103. Our analysis also revealed that cellular telephone and paging costs are \$30 and \$19 per month per person, respectively.

In an effort to reduce cellular and paging costs, the township should consider soliciting proposals from vendors in an attempt to obtain a more competitive rate to include both cellular and paging services from the same vendor.

#### **Recommendation:**

**It is recommended that the township solicit proposals from cellular and paging vendors that will include both cellular and pager services being provided in an attempt to obtain a more competitive rate.**

Cellular telephones phones are more of a luxury than a necessity given the township has a communication tower system for the police and public works departments. Issuing mobile or hand held communication devices, such as hand held walkie-talkies will provide a lower cost alternative for the township. As an alternative, the township might consider eliminating all cellular service and adopt a policy that allows for per call reimbursement for individuals using their own cellular phones.

Due to some “dead spot” regions in the communication system, the elimination of cell telephones in the police department and fire company might not be feasible.

#### **Recommendation:**

**It is recommended that the township consider eliminating cellular telephones for all township employees, with the exception of the police and fire departments, for a saving of \$2,520 annually. Adopting a policy that allows for per call reimbursement for individuals using their own cellular phones may be a more cost-effective alternative.**

**Cost Savings: \$2,520**

According to 1999 telephone records, the township employees made \$73,873 in telephone calls for local and long distance. Township employees utilized additional telephone services as outlined in the following table.

| <b>Service</b>       | <b>Description</b>                  | <b>Frequency</b> | <b>Cost</b>    |
|----------------------|-------------------------------------|------------------|----------------|
| Directory Assistance | Operator assisted calls             | 3,677            | \$1,287        |
| *69                  | Caller identification service       | 614              | \$460          |
| Call 54              | Provides name and address of caller | 307              | \$230          |
| <b>Totals</b>        |                                     | <b>4,598</b>     | <b>\$1,977</b> |

Directory assistance, \*69, and Call 54 are additional services that cost taxpayers \$1,977. The township should consider eliminating these services since most telephone numbers are listed in either telephone books or on the Internet. If the township requires \*69 and Call 54, then an alternative “Caller ID with name” service will provide the caller’s identification and telephone number at an annual cost of \$90.

### **Recommendation:**

**It is recommended the township consider eliminating the use of directory assistance, \*69 and Call 54 for an annual savings of \$1,977.**

**Cost Savings: \$1,977**

## **TAX COLLECTION**

### **Staffing**

The tax collection office is staffed with three full-time positions: the tax collector and two account clerks. The office also has a part-time account clerk, who works two days (15 hours) per week and works full-time during the tax quarters.

Volunteer senior citizens are used to stuff the tax bills into envelopes for the mailing of tax bills each year.

**The township is commended for its use of volunteers to assist with the mailing of tax bills each tax year.**

### **Financial**

In 1999, the tax collection office had a salary and benefit cost of \$256,533 and expended \$1,045 in overtime. Approximately \$10,612 in other expenses was also spent. The total cost for the tax collection office was \$268,190.

### **Collection Rate**

New Jersey accepts 96% as the average/acceptable tax collection rate for municipalities. The township’s tax collection rate has been above 96% for the last three years. The tax collection rate was 96.69%, 96.03% and 96.27% in 1999, 1998 and 1997, respectively.

### **Central Cashier**

At the time of our review, the tax collection office served as the central cashier for all departments except the municipal court, recreation, welfare and the utilities. Effective 2001, the tax collection office began cashier functions for recreation and welfare.

Citizens who are paying a fee for goods or service at another department are given a bill and sent to the tax collector's office. The citizen pays the bill, is given a receipted copy of the bill, and returns it to the department with this proof of payment. In 1999, the tax collector processed approximately 5,200 cashier transactions for the other departments.

The central cashier process appears to work very well for the township and is good internal control as it limits the number of people who are handling money.

### **The township is commended for its central cashier process.**

The tax office also prepares the daily banking deposits to be taken to the bank. The police department brings the daily receipts to the bank in sealed deposit bags. According to township officials, there are some problems because bags are not always taken to the bank on a timely basis.

### **Recommendation:**

**It is recommended that the township review the process for bringing daily banking deposits to the bank. This task should be prioritized and finance and police officials should meet to incorporate this important task into the daily police schedule.**

### **Staffing Analysis**

With a staff of approximately 3.4, Jefferson collects approximately 8,800 tax lines or taxable entities including residential, commercial, apartments and industrial properties. This translates to over 2,588 tax lines per employee. Using a benchmark established from prior LGBR reports, an efficient staff to tax line ratio is approximately 3,000 to 3,500 tax lines per person. While the staffing ratio is slightly below this benchmark, the staffing level appears to be appropriate when considering the additional 5,200 annual central cashier transactions. The township should monitor the additional transactions due to the addition of central cashier duties for the recreation and welfare departments. If the number of transactions increases significantly, a staffing increase might be merited.

### **The township is commended for an efficient tax collection/cashiering operation.**

Delinquent notices are mailed quarterly to delinquent taxpayers after each of the first three tax quarters. After the fourth tax quarter, several delinquent notices are mailed to each delinquent taxpayer prior to the end of the year. A tax sale is conducted each June for those properties which are still delinquent.

### **Tax Title Liens/Foreclosures**

As of September 1, 2000, the township had 96 tax title liens (TTL). The 1999 taxes transferred to tax title liens were \$74,451. The total value of lost taxes for all liens was more than \$558,400. Approximately 30 of these liens are over 10 years old, approximately 80 are more than five years old, and some date as far back as 1971.

Once the township forecloses on the liens, the township acquires the title to the property and taxes no longer accrue for these properties. As a tax title lien, the township must still pay the school and county portion of these taxes on these properties. When the township forecloses and acquires title to the property, taxes are not assessed and, therefore, the township no longer has to pay the county and school for these properties. In 1999, the township paid approximately \$55,247 to the schools and county for their portion of the 1999 taxes on these properties. Even though the township did not receive payment for the taxes on these properties, the township must pay the county and schools their portion.

Four properties owned by Sun Valley Park account for \$29,184 or 40% of the 1999 taxes transferred to TTLs. If the township forecloses on these properties, the township would be required to pay for the relocation costs of the tenants on these properties, which could be quite significant.

Not including Sun Valley Park properties, there were still \$45,266 of 1999 taxes transferred to TTLs for 92 properties and their portion of 1999 taxes paid to the school and county was \$33,591.

The township budgets approximately \$30,000 each year for legal/foreclosure fees. The township attorney currently handles foreclosure proceedings. According to the township attorney, the estimated cost for a foreclosure proceeding normally ranges from \$1,500 to \$2,000. Please note that this is a rough estimate as there are many factors, which could increase foreclosure costs. The township attorney is actively foreclosing on a number of properties. Since there are so many, the township should aggressively pursue the foreclosure proceedings.

The township may wish to consider hiring an attorney solely to address these outstanding foreclosures. By soliciting proposals from firms solely for foreclosures, the township may be able to negotiate a favorable rate, or even a flat fee, for all foreclosures, except for the Sun Valley properties. The estimated legal costs to foreclose on the 92 properties with TTLs, not including the Sun Valley Park properties, would be approximately \$138,000 to \$184,000.

Some township officials claim that some of the liens are so small, it would cost more in legal fees to foreclose on the properties than the lien is worth. While this is somewhat true with some liens, when these properties remain tax title liens for 10 to 30 years, the township is paying more to the county taxes and school taxes. For example, the average 1999 taxes for the 92 properties with TTLs, not including the Sun Valley Park properties, were \$490. Of this amount, the portion paid to the schools and county was \$363, even though the taxes were never received. While this is more than the legal cost would be, after 10 years, approximately \$4,066 would be paid to the school and county on the average lien, assuming a 2.5% inflationary increases.

**Recommendation:**

It is recommended that the township continue to actively pursue tax foreclosure proceedings to all viable properties. The township should consider soliciting proposals from law firms solely to address these outstanding foreclosures. By foreclosing on the 92 properties with TTLs, not including the Sun Valley Park properties, the township would save, based upon 1999 taxes, approximately \$33,591 annually in taxes paid to the school and county. There would be a one-time expense of approximately \$138,000 to \$184,000 in legal fees. These costs would be recouped in approximately five years.

**TAX ASSESSMENT****Staffing**

In 1999, a full-time tax assessor and one full-time clerk staffed the tax assessment office. Summer clerical help is sometimes given to the assessor's office. The tax assessor also serves as the network administrator for the township.

**Financial**

In 1999, the salary and benefit cost for the tax assessment office was approximately \$105,557 and \$28,044 was expended in other expenses. Overtime costs in 1999 were \$890. Total tax assessment costs for 1999 were \$134,491.

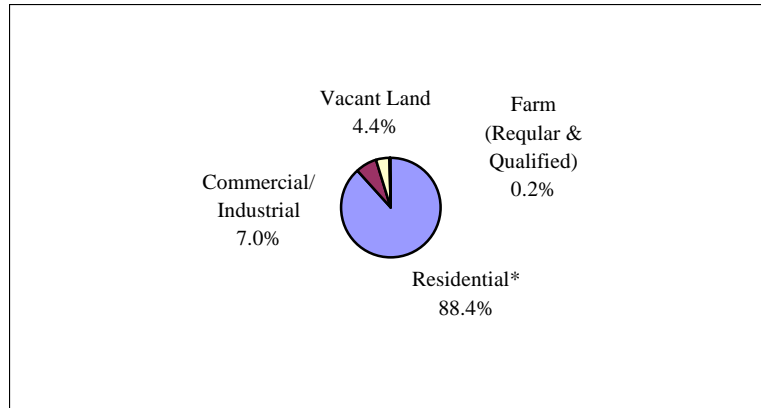
The assessor also receives a \$2,600 stipend for work as the network administrator.

**Assessed Valuation**

An analysis of the ratable base was conducted for 1997 through 2000. During this period, the assessed valuation increased by over \$50 million. Most of the growth was residential construction, while the township also lost a fair amount of vacant land to residential development.

From 1997 through 2000, the number of residential properties increased by 300 lots worth approximately \$64 million, while commercial and industrial properties increased by only three lots worth approximately \$450,000. The amount of vacant land was reduced by 307 lots worth nearly \$16 million, a 2% reduction. The value of exempt properties increased by approximately \$6 million during this period.

Below is a chart showing the composition of township land, based upon assessed values, in 2000. It should be noted that, while Jefferson is a large municipality (approximately 41 square miles), about half of the township is owned by public entities and most of those properties are tax exempt.



\*Residential property also includes apartments.

### Ratio of Equalized Valuation

The ratio of assessment to true value has steadily decreased from 93.56% in 1996 to 91.03% in 1999. This indicates that the spread between the true value of properties and the assessed value of properties is growing. With the current increase in the real estate market, it is most likely that this trend will continue. A municipality should be as close to 100% in order to optimize its ratable base as its value grows and, therefore, keeping the tax rate down.

### Building Permit Data

The chart below shows the increase in the total number of building permits along with new dwelling construction. There are a number of older, unfinalized building permits, some of which date back to 1990. A substantial number appear to have been completed, but have not been added to the tax rolls because there is no certificate of completion.

According to the assessor, approximately \$40,000 in tax revenue is being omitted each year due to the lack of adequate staff. In order to pick up new ratables in a timely manner, the township should verify the completion of older building permits and pick-up all new ratables generated by those permits.

|             | Permits Issued | New Buildings |
|-------------|----------------|---------------|
| <b>1997</b> | 997            | 144           |
| <b>1998</b> | 999            | 138           |
| <b>1999</b> | 1,080          | 154           |

### Added Assessments

As indicated by the table below, the added assessments have been slightly decreasing from 1997 through 1999. There is cause for some concern in light of the rise in building permits and new construction. However, it is possible that many building permits were for roofs, decks and siding, which do not significantly increase ratable values. These permits should, nonetheless, still be reviewed because they could very possibly pick up ratables, such as new kitchens.

|             | CURRENT YEAR ADDED |            | PRIOR YEAR ADDED |            | ADDED/OMMITTED |            |
|-------------|--------------------|------------|------------------|------------|----------------|------------|
|             | Assessed Value     | Line Items | Assessed Value   | Line Items | Assessed Value | Line Items |
| <b>1997</b> | \$26,175,300       | 366        | \$3,148,000      | 32         | \$135,200      | 5          |
| <b>1998</b> | \$27,182,100       | 342        | \$4,470,800      | 75         | \$1,151,700    | 32         |
| <b>1999</b> | \$21,302,500       | 272        | \$4,372,100      | 41         | \$780,000      | 19         |

### **Tax Appeals – Loss of Ratables**

The tax appeals at the county level for the municipality reflected a high of 91 in 1998, with a value loss of approximately \$5.4 million and a low of 21 appeals in 2000, with a loss of approximately \$300,000 in value. The high amount in 1998 resulted from a number of properties that went from taxable to tax exempt. In general, the level of tax appeals is appropriate for a municipality of Jefferson's size.

| <b>County Tax Board Appeals</b> | <b>1997</b> | <b>1998</b> | <b>1999</b> | <b>2000</b> |
|---------------------------------|-------------|-------------|-------------|-------------|
| Number of Appeals Filed         | 53          | 91          | 50          | 21          |
| Valuation of Ratable Loss       | \$970,382   | \$5,399,500 | \$1,310,800 | \$301,000   |

Appeals filed at the state level show a high in 1997, with losses of approximately \$2.1 million.

| <b>State Tax Court Appeals</b> | <b>1996</b> | <b>1997</b> | <b>1998</b> | <b>1999</b> |
|--------------------------------|-------------|-------------|-------------|-------------|
| Number of Appeals Filed        | N/A         | 16          | 17          | 12          |
| Valuation of Ratable Loss      | \$736,000   | \$2,137,000 | \$1,533,900 | \$635,900   |

According to the tax assessor, there were no outstanding appeals at the time of our review. Overall, the loss of ratables due to tax appeals does not appear to be detrimental to the ratable base, as the added assessment ratables have more than covered any losses due to appeals.

### **Payment In Lieu of Taxes (PILOTS)**

According to township officials, there are currently no abatements or PILOT properties in Jefferson.

### **Property Record Cards**

The property record cards in the assessor's files contain both the old and the 1990 revaluation property record cards. These files do not have pictures, which is an important tool for the assessor. Property record cards are updated manually as needed and there is no automated database for the property record cards.

Also, there is limited space to store and file the cards. Files are crammed and difficult to retrieve. The township should also address the office's limited filing space. It may be worthwhile to invest in a systematic and efficient filing system. For example, lateral file cabinets can replace standard upright files on a two to three basis.

A computer-assisted mass appraisal system, known as a CAMA, should be purchased in order to transform the current manual system into an automated database. In order to make the CAMA operational, it might be necessary to hire a clerk to enter the data into the computer or to pay a

company to scan or transfer information into the new CAMA. The township usually hires summer clerical help to assist various departments. This might be the most cost efficient option to get the CAMA data inputted.

There is a direct benefit to a municipality to automate and update its records and maximize the use of the appraisal system. Up-to-date information will reduce the need for another revaluation and will allow the township to get the increased value from its ratables instead of letting the range between assessed value and true value widen. The township's plan should be to reassess the town in the next three to four years and then keep the town current through maintenance or reassessment as data indicates.

The township should make technological improvements to address staffing and workload concerns. Implementation of an automated appraisal record system should ease some workload concerns. Jefferson should consider acquiring the necessary equipment such as CAMA software, lap tops and digital cameras to improve productivity. There are appraisal software programs with sketch programs available, which could be used with the CAMA to improve efficiency and productivity. Lap top computers and digital cameras would be of use in the field and at state and county tax appeal hearings. Appraisal software packages can be very helpful in the field and in the office and should have the ability to be used with one of the State of New Jersey certified assessment programs. The estimated cost for an appraisal package often involves a one-time cost of approximately \$9,000 and an annual maintenance cost of \$1,200 per year. The cost of a lap top computer is approximately \$3,500 and approximately \$500 for a digital camera.

The county-run assessment system, which is used to maintain data from the assessor's office is being phased out by the county. In the past, the county maintained this system. This maintenance responsibility is now being transferred to the township. At the time of our review, the county was reportedly seeking requests for proposals to replace its current system. Depending on which software package is purchased by the county, the township will be required to utilize that package. The assessor's office is hoping that the package ultimately purchased by the county will be one compatible with the existing software packages within Jefferson.

### **Recommendation:**

**It is recommended that the township consider purchasing computer equipment and necessary software to improve productivity. Township officials should obtain a computer-assisted mass appraisal system (CAMA) which is compatible with the new county system.**

**One-time Value Added Expense: \$12,000**  
**Value Added Expense: \$1,200**

### **Staffing Analysis**

Using a benchmark established from prior LGBR reports, an efficient staff to tax line ratio is approximately 3,000 to 3,500 tax lines per person. Jefferson has approximately 12,000 line items. Using this staffing ratio, the tax office should be able to function with a staffing level of approximately 3.5 to 4 full-time positions. Thus, with a current staffing level of two full-time positions, the tax assessment office appears to be understaffed.



It is recommended the township consider hiring a full-time field inspector position to assist the tax assessor with fieldwork. This position would allow the assessor's office to better keep up with added assessments and to verify the completion of older building permits and pick-up all new ratables generated by those permits. This position should also conduct a review of neighborhoods that could pick up properties improved or updated without permits. The additional ratables generated by this position would produce additional tax revenue which would more than pay for itself.

### **Recommendation:**

**It is recommended the township consider hiring a full-time field position to assist the assessor with field inspections. By augmenting the staff with this one position and implementing a CAMA system, the township should be able to keep up with all necessary fieldwork and added assessments and keep township properties assessed at appropriate levels. The additional ratables generated by this position would produce additional tax revenue which would more than pay for itself.**

### **Professional and Legal Services**

The assessor defends all appeals at the county level and an outside expert is hired when necessary. Upon review of the tax files, approximately \$4,900 and \$6,481 was spent on appraisal services and legal services, respectively. There does not appear to be substantial expenses for professional appraisal services.

## **POLICE**

According to township ordinance, the police function is established as a division under the auspices of the department of public safety. The public safety director, who by ordinance shall be either the mayor or administrator, serves as the head of the department, while a chief of police is appointed to head the division of police. The police division provides comprehensive police services to the residents of Jefferson on a 24-hour per day, seven-day per week basis. Besides the basic patrol function, the division also provides services including criminal investigations, dedicated traffic enforcement and motor vehicle accident investigations, and community policing initiatives, including a dedicated school resource officer.

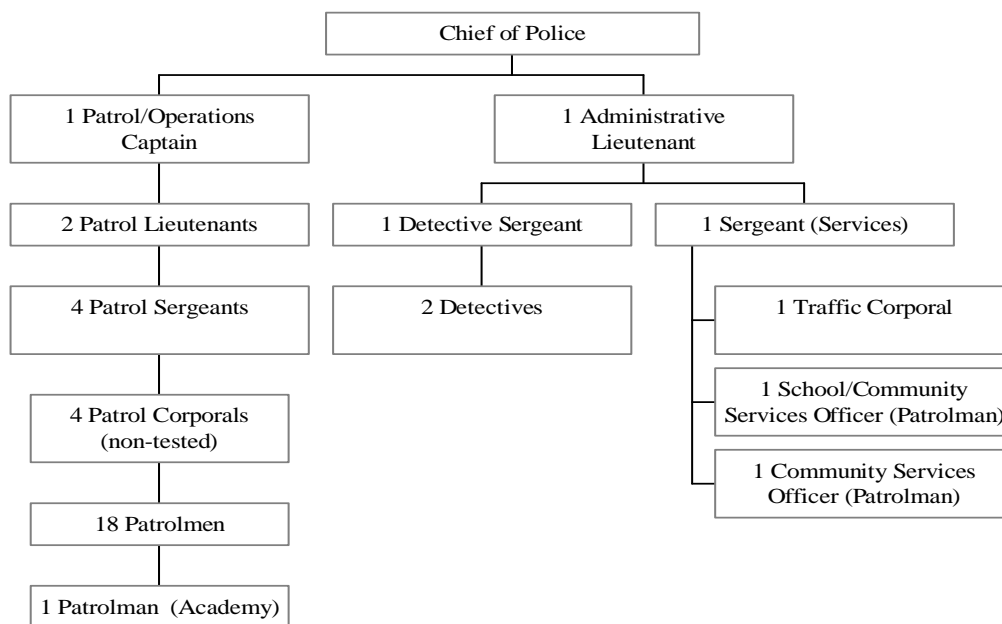
### **Mission**

The division operates under a mission statement that reads as follows, "The Jefferson Police Department firmly believes in the dignity and worth of all people. It is our duty to safeguard lives and property; to protect the innocent against deception; the weak against oppression and intimidation, while protecting the individual's constitutional rights to liberty, equality, and justice. We are committed to providing high quality community-oriented police services, and to build partnerships with the community through open communication and education. We will strive to be the best of our profession by adhering to the highest professional and ethical standards, and we will continue to provide leadership and guidance to the police profession."

**The township is commended for its clear mission statement.**

## Staffing and Organization

The full-time complement of employees consists of 39 uniformed officers and seven civilians. According to the ordinance establishing the police department, the number of full-time officers employed by the township is not to exceed 39. Of the seven civilian employees, four are trained as dispatchers, two are assigned to the record bureau, and one is assigned as an administrative assistant. There are also various part-time and per-diem employees who work as dispatchers to cover full-time dispatcher absences. The following chart represents the organizational structure of the uniformed officers:



As the table of organization indicates, there are five corporal positions in the police department. According to officials at the State of New Jersey's Division of Criminal Justice (DCJ), all corporal positions should be established in the municipal codebook and should have the corporal duties clearly listed. There has been recent case law which makes it wise for a municipality to establish the corporal position and duties in the municipal codebook. Jefferson's codebook does not specifically address corporals.

## Recommendation:

**It is recommended that the township, along with its municipal attorney, review the codebook and establish the corporal positions and its duties in the municipal codebook. DCJ should be consulted for appropriate language.**

## Financial

Based upon a salary and benefit cost analysis conducted by the review team, the 1999 salary and benefit costs for the entire police function (including civilians) were approximately \$2,820,690. According to the township audit, the police department also spent \$218,502 in other expenses. Overtime payments amounted to approximately \$183,166.

Unlike the majority of communities throughout the state, Jefferson does not have any school crossing guards and, as a result, does not have any funds spent for that purpose within its budget. The township just received grant funding (\$125,000 over three years) to help pay for the salary and benefit costs of dedicating one uniformed officer to the high school and middle school.

### Crime Statistics

The township should be proud of the quality service that is provided by the police. The review team found the organization and the employees overall to be quite professional and dedicated to their jobs. Jefferson has very low crime statistics when compared to the State of New Jersey average and is lower than the average for Morris County (where it is located) and is about the same as the average for Sussex County (which it borders). The following chart shows the crime statistics for 1999 for the aforementioned:

|                            | <b>Violent Crime Rate<br/>Per 1,000<br/>Population</b> | <b>Non-Violent Crime<br/>Rate Per 1,000<br/>Population</b> | <b>Total Crime Rate<br/>Per 1,000 Population</b> |
|----------------------------|--|--|--|
| <b>Jefferson Township</b>  | 0.6  | 11.6   | <b>12.2</b>                                      |
| <b>Morris County</b>       | 1.1  | 16.2   | <b>17.3</b>                                      |
| <b>Sussex County</b>       | 0.8  | 11.3   | <b>12.1</b>                                      |
| <b>State of New Jersey</b> | 4.1  | 30.1   | <b>34.2</b>                                      |

In 1999, Jefferson's crime rate was its lowest in five years and has remained relatively stable over the past five years, which is consistent with statewide trends, as many New Jersey municipalities have been able to maintain, or even reduce, its crime rate over this period. From 1995 to 1999, the total crime rate per 1,000 people for the State of New Jersey decreased steadily from 47.3 to 34.2. The following chart represents the total criminal incidents reported in Jefferson (Crime Index Total) and the associated crime rates per 1,000 population:

|             | <b>Crime Index<br/>Total</b> | <b>Violent Crime Rate<br/>Per 1,000<br/>Population</b> | <b>Non-Violent Crime<br/>Rate Per 1,000<br/>Population</b> | <b>Total Crime Rate<br/>Per 1,000<br/>Population</b> |
|-------------|------------------------------|--|--|--|
| <b>1999</b> | 236                          | 0.6  | 11.6   | <b>12.2</b>  |
| <b>1998</b> | 295                          | 0.5  | 15.4   | <b>15.9</b>  |
| <b>1997</b> | 278                          | 0.6  | 14.4   | <b>15.0</b>  |
| <b>1996</b> | 233                          | 0.6  | 12.1   | <b>12.7</b>  |
| <b>1995</b> | 257                          | 1.0  | 14.1   | <b>15.1</b>  |

### Workload

The review team collected various documents that identified the number of calls for service that the police responded to during 1999 (i.e. by time of day, by month, by type of call). In analyzing these documents, the review team found a slight, but inconsequential, discrepancy in the number of calls that were identified. Two of the documents identified 15,011 calls for service, one of the documents identified 15,003 calls for service, and the last document identified 15,280 calls for service. For the purposes of this review, the review team settled on utilizing 15,011 calls for service as its baseline. In 1998, the department recorded 15,235 calls for service.

As one might imagine, there are slight differences in the number of calls that are responded to during different times of the day. The following chart represents how many calls were responded to during different time periods for 1999. The majority of the patrolmen, excluding four officers that work what is called a “power shift” from 3:00 p.m. – 3:00 a.m., work a 12-hour shift with shift changes occurring at 7:00 a.m. and 7:00 p.m.

|                                 | <b>Time of Day</b>     | <b># Of Calls</b> | <b>% of Calls</b> |
|---------------------------------|------------------------|-------------------|-------------------|
| <b>Day Shift<br/>(58.69%)</b>   | 7:00 A.M. - 11:00 A.M. | 2,632             | 17.53%            |
|                                 | 11:00 A.M. - 3:00 P.M. | 2,904             | 19.35%            |
|                                 | 3:00 P.M. - 7:00 P.M.  | 3,274             | 21.81%            |
| <b>Night Shift<br/>(41.31%)</b> | 7:00 P.M. - 11:00 P.M. | 3,349             | 22.31%            |
|                                 | 11:00 P.M. - 3:00 A.M. | 2,107             | 14.04%            |
|                                 | 3:00 A.M. - 7:00 A.M.  | 745               | 4.96%             |

### **Patrol (Organization and Structure)**

The patrol function is under the supervision of a captain. Besides overseeing the main patrol function, the captain also completes numerous administrative functions of the department including: budgeting, soliciting and recording training activities; preparing monthly reports for the chief; monitoring vehicle usage, and acting as the department’s liaison to the municipal court (to discuss any problems and go over the court schedule for officers, so as to limit the amount of overtime utilized).

A platoon system is utilized to organize and supervise the patrol function. There are two platoons and each platoon is under the command of a lieutenant. Within each platoon there are two squads, for a total of four squads within the department. Each squad is assigned one sergeant who oversees the shift, one corporal (who acts as shift commander in the absence of the sergeant), three or four patrolmen, one patrolman who works the “power” shift, and one civilian dispatcher assigned to each shift. A total of 29 uniformed officers, including the captain, and four civilian dispatchers make up the full-time complement for the patrol function.

The four corporals in patrol, along with one other in the traffic function, do not receive any additional monetary compensation for their additional responsibilities. This position does not require a test and is assigned at the discretion of the chief. The only compensation that corporals receive is two additional days off per year. The value of these days off is approximately \$1,750, based upon the average corporal salary.

**The township should be commended for its cost-effective approach to providing adequate supervision.**

### **Patrol (Work Day)**

All of the officers and dispatchers in patrol work a four-day on, four-day off schedule consisting of 12-hour workdays. Under this schedule, the majority of the officers and the dispatchers are required to switch from day patrol to night patrol every rotation (eight days). These officers and dispatchers work from 7:00 a.m./p.m. to 7:00 a.m./p.m. (although there is usually at least one patrolmen who comes in early to cover the shift change). The only exceptions to the above are the patrolmen on the “power” shift, who work a steady 3:00 p.m. to 3:00 a.m. schedule, and the

platoon lieutenants, who work a steady 12-hour day shift beginning between 8:00 and 9:30 a.m., so that they can overlap each of the patrol squads and interact with them on a daily basis. In talking to numerous patrol personnel throughout the review, an overwhelming majority of officers favored the current work schedule.

The work year of the above schedule is approximately 2,190 hours, which is above the standard police work year of 2,080 hours. As a result, the officers receive 36 hours of “floating time” off every 16 weeks to be utilized with approval from their supervisors. Additionally, the officers are required to attend 12 additional hours of training each year without charging the department for overtime. Once the floating time and training time is considered, each officer works approximately 2,080 hours each year.

### **Patrol (Duties and Areas of Patrol)**

The patrol function is primarily responsible for providing routine patrol, motor vehicle enforcement, and response to calls for service within its approximately 43 square mile boundaries. The patrolmen are also responsible for doing various other duties such as vacant house checks and checks on elderly people, etc.

The municipality is basically divided into two patrol sectors that are bisected by a large county park. Resources are typically split between the two patrol sectors, but if resources allow, the sergeant will assign additional personnel to the typically busier patrol sector of Lake Hopatcong, even though the Milton patrol sector is significantly larger in land area. Since there is a relatively low number of calls for service, most officers agreed that there was sufficient time available for routine patrol or motor vehicle enforcement. It was estimated by some police personnel that upwards of 60% of a typical patrol shift could be spent doing routine patrol or motor vehicle enforcement.

In the event that the division is responsible for an unusually large number of calls or for calls of a serious nature, they are able to rely upon a county mutual aid program for additional manpower and assistance.

### **Patrol (Minimum Staffing)**

Even though the majority of the patrolmen work shifts from 7:00 a.m./p.m. to 7:00 a.m./p.m., the minimum amount of officers that are required to staff the shift is based on the times of 3:00 a.m. to 3:00 p.m. and 3:00 p.m. to 3:00 a.m. (when the “power” shift patrolmen can be factored in).

During the majority of the year, the minimum number of patrolmen on a shift (before someone is called in on overtime) is three from 3:00 a.m. to 3:00 p.m. and four from 3:00 p.m. to 3:00 a.m.. During peak periods such as summer months, the minimums are often raised by one patrolmen to deal with increased volume. In any scenario, the minimum staffing level includes the services of a sergeant. As a result, there should never be a time when there is less than a shift commander and one patrolmen in each of the two patrol sectors.

### **Patrol (Analysis of Staffing Levels)**

During the course of an LGBR review, the team conducts a staffing analysis of the patrol function. The Division of Criminal Justice in the State of New Jersey’s Department of Law and

Public Safety uses the method of analysis. The team conducts an analysis based upon the minimum number of patrolmen required on a shift and, also, an analysis based upon the total number of calls for service.

As stated earlier in the report, the review team is using 15,011 as the number of calls for service that the department responded to in 1999. When the review team conducted the analyses based upon the total number of calls for service, the result showed that Jefferson needs approximately 13.97 patrol officers, including corporals, to adequately respond to its calls for service. This analysis utilizes an average of 30 minutes consumed per call, accounts for patrol officer absences (i.e., sick leave, vacation, etc.), and utilizes a factor to account for additional administrative work, such as report writing. Based upon the total calls for service in the patrol function, the beat patrol analysis show that the township needs 14 patrol officers. At the time of the review, Jefferson had 22 corporals and patrolmen in the patrol function, plus one officer that was in the police academy. Appendix C shows the staffing analysis.

It should be noted that the 30 minutes used as the average time consumed on each call for service was an estimated average. Most computer-aided dispatch (CAD) systems can provide the actual times spent on calls for services and the average time for all calls. Unfortunately, the data from Jefferson's CAD system was not specific enough to provide the actual average time. The Division of Criminal Justice has found that the average time for each call for service in suburban municipalities is approximately 30 minutes. Jefferson is urged to adjust its CAD system to provide information necessary to produce an actual average time consumed on each call for service.

The second method of analysis used by the review team utilizes some of the same data as in the previous analysis, but also factors in the minimum staffing levels (excluding sergeants) for the patrol function. If the analysis were conducted utilizing solely the minimums during the non-summer months, the approximate number of patrol employees that would be needed would be 13.59. If the analysis were conducted utilizing solely the minimums during the summer months, the approximate number of patrol employees that would be needed would be 19.02. At the time of the review, Jefferson had 22 corporals and patrolmen in the patrol, plus one officer that was in the police academy. Based upon these analyses, the staffing levels in the patrol function could be reduced by up to eight officers. Appendix C shows the staffing analysis.

Since the review team agrees with the department's aggressive approach to motor vehicle enforcement (to be discussed later) and is under the opinion that the amount of time spent on routine patrol has a direct impact to the amount of crime in a municipality, we don't recommend that the patrol function be reduced down to the level of 14 corporals and patrolmen.

Based upon the two analyses that were completed and the number of calls for service responded to on an annual basis, we feel that the appropriate staffing for the patrol function would be 18 corporals and patrolmen. Based upon an average salary and benefit cost for the six lowest paid patrolmen (\$41,687), the resulting savings to the township to reduce five patrol positions to 18 corporals and patrolmen would be approximately \$208,435. At the time of our review, there was also an officer in the police academy which would bring the total of patrol officers to 23.

If the township feels that an additional officer is needed to cover the summer peak times, the township should consider hiring class 2 special law enforcement officers for the summer or should consider covering with overtime, which would be probably be cheaper than carrying one extra man all year due to peak periods for 2-3 months during the summer.

**Recommendation:**

**It is recommended that the township consider eliminating five patrol positions from its current complement of 23, including the academy officer. The township would achieve a savings of approximately \$208,435 in salary and benefits.**

**Cost Savings: \$208,435**

**Patrol (Motor Vehicle Enforcement)**

As stated earlier in this report, the division takes pride in its aggressive enforcement of motor vehicle violations. In 1999, the department issued 5,125 motor vehicle summons, which would equate to least 34% of the division's workload (based upon 15,011 calls for service). During the course of the review, it was made known to the team by both patrolmen and ranking officers that the supervisors were looking for at least 20 motor vehicle summons per officer per month. Legislation was recently passed that made it illegal for a police agency to pass a summons quota on to its patrol officers. If the division has not done so already, it should eliminate the standard of 20 summons per officer per month.

In light of this change, the division should also track closely the number of summons issued and its effect on motor vehicle accidents. If the division finds that the total number of motor vehicle summons issued declines after the standard of 20 is eliminated and the number of motor vehicle accidents increases, the police administration should work with the patrolmen to ensure that appropriate measures are taken to combat the problem.

**Recommendation:**

**It is recommended that the township eliminate the current standard of 20 motor vehicle summons per officer per month immediately, if not already done. The department should closely track the relationship between motor vehicle summons issued and motor vehicle accidents.**

**Patrol (Tele-Service)**

While many calls involve emergency situations, which require a sworn police officer to respond and investigate, there are also many non-emergency situations, such as after-the-fact vandalism, which may not require the involvement of a sworn officer.

In an effort to reduce the time spent by officers processing reports for non-emergencies, some municipalities have implemented a process in which citizens can submit police reports without meeting with police officers known as tele-service, which uses an automated telephone system for non-emergency police calls. Some municipalities also permit residents to submit police reports on-line through the website for the police departments.

In order for this type of system to work, a police agency must not mandate that all lower-priority or non-emergency calls be handled by tele-service, thus alienating residents and possibly creating a system where not all criminal activity is being reported. The tele-service system must allow residents the option of completing a police report themselves, instead of having to send a police officer to every complaint and incident.

In Jefferson, patrol officers currently have to respond to all calls for service, including many non-emergency situations or calls and there is no system in place for residents to submit a police report without the involvement of a police officer.

If the township were to implement a voluntary tele-service program for its minor or non-emergency complaints, there is the potential for significantly reducing the calls for service that the patrol officers must respond to. This would then free the patrolmen to conduct more routine patrol and motor vehicle enforcement, both of which are natural deterrents to would-be criminal activity.

#### **Recommendation:**

**It is recommended that the township consider implementing a voluntary tele-service program to address some of the non-emergency complaints brought to police attention.**

#### **Patrol (Dispatching)**

Four full-time, civilian dispatchers are responsible for the bulk of the dispatching duties throughout the year. Part-time and per-diem dispatchers are utilized as much as possible to cover for absences. If no part-time or per-diem dispatchers are available, the shift commander will either place an extra officer in the dispatch function or call someone in on overtime. Additionally, uniformed officers are utilized to cover the dispatch areas during lunch and break times. It was reported to the review team that not all officers covering the dispatch desk have the proper 911 training. All officers should have the proper 911 training to reduce the township's potential liability.

#### **Recommendation:**

**It is recommended that the township ensure that all officers covering the dispatch area have the proper 911 training to reduce any potential liability to the township.**

#### **Administration**

The administrative function of the police department is under the command of the administrative lieutenant.

Besides the lieutenant, the full-time complement of employees consists of two sergeants, two detectives, one traffic corporal, two patrolmen (one is dedicated to the high school and middle school and one is a community policing officer), and two civilian records clerks.

The lieutenant is responsible for overseeing the detective bureau and the services bureau, which consists of the records function, community policing, the school resource officer and the traffic



function. Additionally, the lieutenant is responsible for maintaining the evidence gathered by the division, conducting internal affairs investigations, maintaining the division's policies and procedures, dealing with outside agencies and the media, and investigating and implementing various long-term and special projects. Many of the functions normally assigned to the administrative officer of a police agency have been transferred to the patrol captain, such as budgeting and training.

#### **Administration (Detective Bureau)**

The detective bureau consists of a detective sergeant and two detectives. These officers are responsible for investigating the criminal activities that occur within the township. One of the detectives focuses most of his efforts to juvenile activities, while the other detective is more of a generalist. The detective sergeant will also carry a small caseload, estimated by him to take about 25% of his time, which tends to focus on narcotics and investigations.

Besides the small amount of time that the detective sergeant spends on handling a caseload, he is also responsible for assigning cases to the detectives, monitoring their efforts and providing guidance or assistance, acting as liaison to the county prosecutor's office, and acting as the division's computer/management information system (MIS) person. As a result of acting as the division's computer/MIS person, the detective sergeant receives a stipend of approximately \$2,500.

The three employees work a typical five-day workweek, consisting of an eight-hour day. Besides their normal workweek, every three weeks they are responsible for being on-call 24-hours per day and responding to any incidents that might require their expertise, such as processing a crime scene. The officers receive an additional \$1,000 per year for being appointed to the detective position.

Additionally, three detectives have cars available to them to drive back and forth to work, even though they are not required to live within the township. The rationale given to the review team is that since they are on-call and might need to come back to work on short notice so they should have a car assigned to them. It was additionally stated that giving the officers vehicles to take home would reduce the response time to the scene of the crime that they are being called back to. While it may be true that the response time will be reduced, it is usually not necessary for the detectives to be at the crime scene immediately, since the crime has already been completed and the threat has been diminished. Although it might be more inconvenient to police personnel, detectives should be required to drive their personal vehicles to headquarters when called back to service and then utilize a municipal vehicle to respond to the scene to which they were called back for.

#### **Recommendation:**

**It is recommended that the township consider revising its current procedure of allowing officers to take vehicles home for commutation purposes. It is recommended by the review team that no officer within the division, especially those that live outside the borders of the**

**township, should be assigned a municipal vehicle and allowed to commute in that vehicle. At the very minimum, detectives should only be assigned a car when they are actually on-call.**

#### **Administration (Detective Bureau Staffing)**

Approximately 2 ¼ full-time equivalents (FTE's) are utilized by the detective bureau to handle its investigative caseload. As in other LGBR reports, the team utilizes internal benchmarks to gauge the staffing levels in this function. We have found through our reviews that appropriate detective bureau staffing is approximately 100 to 150 crimes per detective. Based upon an average crime index over the past five years of approximately 260, the division's ratio falls at about 115 crimes per detective. While that falls within LGBR's internal benchmarks, the review team feels that there is an opportunity for restructuring and cost savings. An opportunity for restructuring exists because the review team feels that the administrative lieutenant is underutilized and that the computer/MIS work should be transferred from the detective sergeant.

As stated before, the detective sergeant is responsible for the division's computer/MIS function. He is responsible for maintaining the division's network, purchasing and installing technology and equipment, troubleshooting problems, and acting as the help desk for software problems. A majority of his time is spent on technology and MIS issues and some of these responsibilities are shared with the sergeant overseeing the service section.

Various concerns and problems were brought to the attention of the review team concerning the division's technology. Among other concerns addressed to the review team, the most recurring problems surrounded computers in the vehicles not working properly, computers in the vehicles not being utilized to their potential and poor training of police personnel in computer matters.

It should be noted that the detective sergeant spends most of the time with MIS issues and activities. As a result, most duties of the detective sergeant are work that does not require an employee who is a sworn officer. Thus, LGBR feels that the township could eliminate the detective sergeant position. We feel that the administrative lieutenant can adequately handle the additional case management, supervision, and administrative duties of the detective sergeant. We also feel that the two detectives can absorb the caseload vacated by the detective sergeant. As a result of transferring the entire caseload to the two detectives, which would result in two FTE's responsible for the township's investigative function. This results in a crime per detective of 130, which is still within LGBR's internal benchmarks.

While the elimination of the detective sergeant position is feasible, LGBR does not feel it is necessary at this time because the detective sergeant is providing the police department and township with much needed technical assistance regarding MIS and technology issues even though he is not doing much actual "police work." When appropriate, such as the retirement of this individual, the township should consider eliminating this position and replacing it with a full-time professional MIS position to address the department and the township's computer/technology needs. At this time, the current structure is adequately meeting those needs of the township and this change would not produce any dramatic savings, as the cost of a MIS professional could be approximately \$75,000 with salary and benefits.

**Recommendation:**

**When appropriate, it is recommended that the township consider the elimination of the detective sergeant at some time in the future and replacing this position with a MIS professional. At this time, the detective sergeant is adequately meeting the technology needs of the police department and the township.**

**Administration (Services)**

The service section is under the command of a sergeant. This position is responsible for the supervision of a traffic corporal, one school officer (paid through grant funds), one community policing officer, and two record clerks. Additionally, he is responsible for the DARE program and has become responsible for completing various special projects as assigned by the chief of police.

**Traffic**

The traffic corporal is mainly responsible for investigating major accidents, reviewing planning and zoning board applications, assessing street sign needs, and conducting motor vehicle enforcement. The division recently purchased a speed sign that the corporal takes to various points within the township to regulate traffic speeders.

**School Resource Officer**

The school resource officer is currently assigned to the high school and middle school and this program is in its second year. The school officer is responsible for building relationships with the students (a community policing philosophy), responding to any incidents that happen within the schools, and conducting some classroom lectures. During the summer time and vacations, this person is utilized in other areas of the department, primarily community policing and patrol.

**Community-Policing**

The community-policing officer is mainly focused on building relationships with township residents. One of the main ideas surrounding community policing is that the building of positive relationships with community adults and youth will have a positive impact on the community and reduce criminal activity. The community policing officer interacts with the township's youth and adults, attends various public events, meets with community groups, offers crime prevention programs, coordinates department community policing programs (such as Adopt-A-Cop), along with other duties. The community policing officer drives a brightly painted DARE van which makes it easier to attract and build relationships with area residents. Additionally, there is a sub-station in one of the area supermarkets, which is sometimes utilized by officers to meet and interact with residents.

Besides the efforts of the one community-policing officer, the division has about 10 officers who are trained and certified as bike officers. These officers have an easier time accessing and meeting area residents than those officers riding in a patrol vehicle. Each of the bike patrol members utilizes a vehicle with a bracket to hold a bicycle. The bike patrol method of community policing is only utilized when the weather permits and when there are enough patrol personnel to adequately covers the township without the immediate service of the bike patrol.

**Records**

Two full-time civilian employees perform the record function of the division. They are mainly responsible for verifying the accuracy of police reports, entering those reports into the division's computer system, maintaining other department records and correspondence, and providing copies of police reports to the public.

Under the current process, a police officer writes or types a police report and passes it along to the records bureau after it is looked at and approved by their patrol supervisors. The records bureau employees retype the information into the department's computer system.

The police currently have the hardware available to allow patrol officers to type reports into the computers in the vehicles and electronically pass the reports on to be approved and to the records bureau. This technology is being underutilized because the software is not working properly and the patrolmen do not trust the system. If the computer problem were fixed in the patrol cars and patrolmen were required to write their reports on the car's computer, it would significantly reduce the workload of the records personnel as they would not have to retype information already provided by the patrol officers.

**Recommendation:**

**It is recommended that the township address the problems with the computers in the police vehicles to maximize the use of existing technology.**

**Warrants**

The police department should assist the municipal court in an effort to collect delinquent fines by serving warrants locally and in the immediate surrounding area.

**Range**

The division currently has an outdoor range that is utilized for the annual certification of patrol officers in firearms. They also permit other police to utilize the facility in return for that agency providing maintenance to the range.

**The department should be commended for this joint effort with other police agencies.**

**Facility**

The police division is in dire need of a new building or expansion of the present building. It is the opinion of the review team that the department has significantly outgrown their present facility. During the course of the review, it was brought to our attention that the township was conducting a feasibility study into expanding the municipal complex.

**Recommendation:**

**The review team recommends that the police department be included in any municipal expansion efforts.**

## MUNICIPAL COURT

While the team recognizes the separate authority and responsibility of the judicial branch of government, we have made the following comments and recommendations in an effort to provide the community with information on current and potential operations, procedures and programs available to the court. The recommendations made in this report will require further review by appropriate judiciary personnel.

### **Staffing**

The Jefferson Township Municipal Court has a staff of six, including one part-time judge, one court administrator, two deputy court administrators and two clerks.

The court administrator worked eight years in Jefferson and has served in similar positions in other municipal courts. The court administrator handles all of the in-court work and operates the ATS/ACS computer at the bench. One of the deputy court administrators acts as an assistant and works in the office/violations bureau during the court sessions.

The court administrator has indicated that she plans to retire within the next year. Two other court staff members could also retire in the next year or two. It is recommended that the township plan for this transition and consider upgrading one of the clerk positions.

### **Recommendation:**

**The court administrator should begin cross training staff members, giving them experience handling the in-session court duties. One of the clerk positions should be up-graded to a deputy in order to provide court night coverage.**

**Value Added Expense: \$3,000**

The mayor and council appoint the judge for a three-year term. The position of municipal judge is a professional position for which qualifications are established by state statute. The judge has served the township municipal court for 10 years.

In 1999, the township judge received a salary of \$34,568 and pension, social security, Medicare and health benefits totaling \$8,857.

### **Recommendation:**

**Since the judge is a part-time employee, it is recommended the township should consider eliminating social security, Medicare and health benefits.**

**Cost Savings: \$8,857**

Only the deputy court administrators and the clerks receive overtime pay. Overtime is used when deputies work night court or are called during off-hours to assist the police department and are by contract paid a minimum of two hours of overtime. In 1999, court staff received \$6,432 in overtime.

The court administrator receives compensatory time for any overtime worked. As of January, 2000, the court administrator had accrued 186.25 hours of compensatory time. As of October, 2000, this number had dropped to 179.75 hours. The team was advised that comp time is used periodically, but upon retirement, an employee would be compensated for any accrued compensatory time not used. All court personnel receive full benefits including medical benefits.

### **Facilities**

The court office in which five people work daily is inadequate in size to properly conduct the day to day business of the court with all the necessary equipment, files and individual work space.

The office area measures approximately 14'x 12' and is divided into two offices. The violations bureau area is a narrow space that measures approximately 7'x 8' and there is barely room for two people to work in the space. This space was once part of the hallway and was partitioned off to provide a window for the violations bureau. The court staff deals with the court-related matters while the general public passes through on other business. The total amount of space occupied by the court does not provide adequate record storage space. It was reported to the team that an expansion of the building in the area adjacent to the court office is under consideration.

### **Recommendation:**

**It is recommended that the township give the court staff primary consideration in allocating adequate office and storage space in any future expansion.**

### **Courtroom**

The courtroom seating capacity is approximately 100 people and also serves as the township council chambers. The judge utilizes the adjacent court office as his chambers and passes through the public hallway into the court.

Court is held five times a month. Sessions are held the first Thursday at 1 p.m., third and fourth Thursday at 7 p.m., fourth Wednesday at 7 p.m. and the fifth Thursday at 7 p.m. In 1999, a total of 58 court sessions were held.

The judge's bench has a shield and an alarm button, as required by the Administrative Office of the Courts (AOC). Courtroom security is provided by a retired police officer, who also acts as bailiff.

### **Case Load Comparison**

The Jefferson Township Court receives summonses from a variety of enforcement agencies including the local police department, New Jersey State Police and the State Police Marine Bureau, New Jersey Transit Police, Division of Fish, Game and Wildlife, Morris County Sheriff's Office, Office of Consumer Protection, Division of Forests and Parks.

During 1999, the court processed 440 traffic matters and 51 criminal complaints per month. For the first seven months of 2000, there are indications of a decrease in activity, with 405 traffic matters per month and an increase in criminal matters, with 60 complaints per month.

### **Financial**

The court administrator is responsible for maintaining all financial records. All records are in order and up-to-date. Both the regular account and the bail account are deposited in a timely manner and earn interest.

In 1999, the salary and benefit cost for the court office was \$208,334. Other expenses were \$7,916.

A review of revenue versus expenditures for the past five years shows the court has generated a surplus of \$916,914. Please note that the appropriation category does not include the cost of health, pension, social security and Medicare benefits.

|                          | <b>1995</b> | <b>1996</b> | <b>1997</b> | <b>1998</b> | <b>1999</b> | <b>TOTAL</b> |
|--------------------------|-------------|-------------|-------------|-------------|-------------|--------------|
| <b>Revenue</b>           | \$283,859   | \$298,247   | \$344,793   | \$373,522   | \$364,237   | \$1,664,658  |
| <b>Appropriation</b>     | \$122,904   | \$117,531   | \$151,380   | \$178,351   | \$177,578   | \$747,744    |
| <b>Surplus (Deficit)</b> | \$160,955   | \$180,716   | \$193,413   | \$195,171   | \$186,659   | \$916,91     |

Time payments are an accommodation made to defendants who cannot pay their fines in full at the time assessed. A defendant must make application to the court to be put on a time payment plan. The judge reviews it and, if approved, a reasonable payment plan is set up that the defendant agrees he/she will make every effort to meet. The agreed upon payment schedule is entered in and tracked by the ATS/ACS system. When payments fall into arrears, the system generates a series of notices advising of delinquency and, if not answered by the defendant, results in the issuance of a warrant.

The court has a significant number of delinquent time payment accounts. Records show that specific cases with large amounts due range from \$74 to \$2,500. The court has entered pre-ATS/ACS delinquent time payment account which provides quicker access than the previous manual card system and reduces the need for critical storage space.

| <b>TIME PAYMENT SCHEDULE</b>      |             |                    |                  |
|-----------------------------------|-------------|--------------------|------------------|
| <b>Status</b>                     | <b>Open</b> | <b>Delinq. T/P</b> | <b>Delinq. %</b> |
| <b>Number of Accounts</b>         | 363         | 316                | 87%              |
| <b>Amount Assessed/Delinquent</b> | \$294,950   | \$199,724          | 67%              |

A review of the time payment status report indicates that the court has generated notices and warrants in a timely manner. Warrants, specifically, traffic and petty crime warrants, are not routinely served by police departments. The only way a defendant in arrears will be apprehended on a warrant is if he/she is stopped by a police officer for some other reason. Many time defendants relocate and fail to inform the court of a change of address and, therefore, do not receive notices.

**Recommendation:**

**It is recommended the court consider implementing an aggressive effort to bring defendants in arrears. The Jefferson court should work with its police department to serve warrants locally and in the immediate surrounding area. It is also recommended that the township consider applying to the AOC for participation in the Comprehensive Enforcement Program (CEP), which is a joint effort by the state probation department and the AOC to take additional measures to enforce the payment of fines. The cost to participate is 25% of the collected fines. Due to the many variables involved in collection efforts, the team cannot accurately estimate the additional revenues generated by this recommendation.**

**Record Maintenance**

The court has been using the automated traffic system (ATS) since 1993 and the automated complaint system (ACS) since 1994. This system provided by the state judiciary, through the AOC, provides for accuracy and completeness as well as archival storage and retrieval. The ATS/ACS computerized retention capability notwithstanding, court rules and state law, require the retention of specific original court records for specific periods of time based upon their function and status.

Due to the lack of space, the court staff has had to be diligent in the disposal of records in accordance with state law. On a yearly schedule, the court staff have identified records to be disposed of and completed the process of approval and disposal.

**The team commends the court staff for its diligence in keeping their record storage at acceptable levels despite the crowded workspace.**

**FIRE**

The Jefferson Township Fire Department was established by ordinance on February 15, 1954 and consists of two independent volunteer fire companies. Fire Company #1 (Milton) and Fire Company #2 (Lake Hopatcong) jointly serve to render service in the protection of life and property to the citizens of the Township. Each company has its own set of constitutions and by-laws and internal organization.

**Fire Stations**

There are four fire stations within the township. Fire Company #1 owns and maintains a station on Milton Road and also has a substation on Cozy Lake Road, which is owned and maintained by the township. Fire Company #2 owns and maintains a station on Route 15 and also has a substation on Brady Road, which is owned and maintained by the township.

Jefferson Township is approximately 42 square miles so each of the two main stations supplies fire protection coverage over a considerable distance. As the township developed, there was a need to have fire equipment within a reasonable distance. The substations satisfy the time-distance concerns of both the Lake Hopatcong and the Cozy Lake communities.



### **Organization/Staffing**

Each company has a chief, assistant chief, a captain, and a lieutenant. There are no paid members of either company.

The active membership for Company #1 is 52 and for Company #2 are 54. The total membership of either company is governed by township ordinance #75, which limits total membership to 75 in each company.

Although all active members must maintain 60% of all fire calls and drills combined, each company has staffing problems during the daytime weekday hours. To insure that they have enough manpower at a serious incident during these times, all reported structure fires are issued as general alarms and responded to by both companies. This helps to insure adequate manpower at a fire scene.

Each fire company currently has at least one township employee that is also a volunteer firefighter. The fire companies believe that it would be beneficial for the township to encourage employees to participate in the volunteer fire and EMS squads to ensure adequate daytime coverage. This is a much cheaper alternative to a paid daytime crew which some municipalities have had to do.

### **Recommendation:**

**It is recommended that the township encourage township employees to participate in the volunteer emergency services to augment the existing daytime volunteer staff.**

Chapter 40 of the code of Jefferson Township states that qualifications for membership in the township fire departments require that a member either be a resident or work within the township. Realizing that there may be individuals that reside on the borders or in reasonable distance to Jefferson fire houses, it would seem that this requirement may limit people willing to serve as volunteer firefighters, especially seeing that parts of the township are already served by adjoining communities.

The Jefferson Township Fire Department does not, at present, participate in the Emergency Services Volunteer Length of Service Award Program. This program, more commonly known as "LOSAP," became effective in 1998 as an incentive program to attract and retain fire and rescue volunteers. Although not required under the LOSAP program, municipalities may offer tax deferred income benefits to active volunteers.

These tax deferred income benefits come from contributions provided solely by the governing body of the township on behalf of those volunteers who meet the criteria of a plan created by the governing body. The contributions are deposited into a plan similar to the deferred compensation plans permitted for county and municipal employees. The benefits are federally tax deferred until the volunteer withdraws them.

The voters of the municipality must approve LOSAP programs. Jefferson put the LOSAP question of the ballot for the November, 2000 general election and it was approved.

## Equipment

The current fleet of fire apparatus consists of 12 vehicles including: six pumpers, two 3,000-gallon tanker/pumpers, two rescue trucks, one aerial tower ladder, and one brush truck. The township purchases and holds title to all equipment needed for the operation of the fire protection services within the township. This includes fire apparatus, radios, safety equipment, and two fire substations. The township also pays for the costs of repairs and insurance on all equipment.

| <b>Squad</b>         | <b>Year</b> | <b>Description</b>                               |
|----------------------|-------------|--|
| Jefferson Company #1 | <b>1971</b> | Pumper (Refurbished in 1989)                     |
| Jefferson Company #1 | <b>1983</b> | Pumper (Refurbished in 1995)                     |
| Jefferson Company #1 | <b>1986</b> | 3,000-Gallon Tanker/Pumper (Refurbished in 1999) |
| Jefferson Company #1 | <b>1991</b> | 95' Aerial Tower Ladder                          |
| Jefferson Company #1 | <b>1997</b> | Heavy Rescue Truck                               |
| Jefferson Company #1 | <b>1979</b> | Pumper (Refurbished in 1985)                     |
| Jefferson Company #1 | <b>1976</b> | Brush Truck                                      |
| Jefferson Company #1 | -           | 12-Foot Aluminum Boat                            |

Jefferson Fire Company #1 also has a 12-foot aluminum boat housed at the substation on Cozy Lake Road and the Chief is assigned a 1996 Jeep to respond to incidents.

| <b>Squad</b>         | <b>Year</b> | <b>Description</b>           |
|----------------------|-------------|------------------------------|
| Jefferson Company #2 | <b>1988</b> | Pumper (Refurbished in 1997) |
| Jefferson Company #2 | <b>1995</b> | Heavy Rescue Truck           |
| Jefferson Company #2 | <b>1997</b> | 3,000-Gallon Tanker Pumper   |
| Jefferson Company #2 | <b>1990</b> | Pumper                       |
| Jefferson Company #2 | <b>1979</b> | Pumper                       |
| Jefferson Company #2 | -           | Fireboat                     |

Jefferson Fire Company #2's 3,000-gallon tanker pumper is stationed at its main firehouse on Route 15. Additionally, the 1979 and the 1990 pumpers are housed at the substation on Brady Road. This company also maintains a fireboat at marine headquarters on Lake Hopatcong and the chief is assigned a 1995 Jeep to respond to incidents.

**The township and the fire department are commended for reducing equipment costs by refurbishing equipment when appropriate.**

While the fire department is commended for refurbishing its older apparatus, the team feels there is room to reduce the number of pumpers. Based upon International City Management Association (ICMA) guidelines, the Jefferson fire department can reduce its fleet by two pumpers.

The International City Management Association (ICMA) defines a set of tactical fire suppression goals as the following:

“For all structure fires, to deploy one engine company within five minutes and an additional engine company, one ladder company, one paramedic unit and one chief officer within ten minutes in areas which require fire flow of 4,500 gallons per minute or less.”

“The general tactical objective is to develop an attack force that can aggressively advance two standard fire stream hand lines (or the equivalent).”

Areas requiring 4,500 gpm or less is classified as Low Hazard Occupancies. The National Fire Protection Association (NFPA) defines low hazard occupancies as “one, two or three family dwellings and scattered small businesses and industrial occupancies which require at least two engine companies, one ladder company with not less than 12 firefighters, one chief officer and other specialized apparatus as may be needed.”

The locations of each of the two main Jefferson firehouses and the two substations allow for a response of one engine company to arrive at a scene within five minutes and also allows for the second due engine company to arrive at the scene within 10 minutes along with one ladder company.

By reducing the fleet by two pumpers, the township will save a total of approximately \$600,000 by not replacing the two oldest pumpers. (The estimated cost for a new pumper is approximately \$300,000.) These pumpers, due to their age, could not be refurbished. The sale of these two pumpers could provide the township with an additional \$60,000 in revenue. In addition, the township would avoid the future cost for maintenance and upgrading the two oldest pumpers.

#### **Recommendation:**

**It is recommended the fire department reduce the overall fleet by two pumpers by selling the two oldest pumpers. The sale of the pumpers could generate approximately \$30,000 in additional revenue for each for each pumper. The township would also have a one-time cost saving of approximately \$600,000 as the cost to replace the oldest pumpers.**

**One-time Cost Savings: \$600,000**  
**One-time Revenue Enhancement: \$60,000**

#### **ISO Rating**

The insurance services office (ISO) is an independent statistical rating and advisory organization that serves the property and casualty insurance industry. The ISO collects and analyzes the data using its fire suppression rating schedule. The ISO then assigns a public protection classification from one to ten. Class 1 represents the best public protection class and class 10 indicates no recognizable protection. Class 4 is among the best available for a volunteer fire department. ISO graded the Jefferson Fire Department at a classification #5.

#### **Financial**

The township purchases and holds title to all equipment needed for the operation of the fire protection services in the township. This includes fire apparatus, radios, safety equipment, and two fire substations. They also pay for the costs of repairs and insurance on all equipment.

The cost of operation to the township for both these fire companies for the year 1999 was \$135,400, which does not include any major capital costs such as truck purchases or refurbishment.

In most jurisdictions which have volunteer fire companies, it is a common and legislatively approved practice for the governing body to contribute up to \$30,000 to each fire company. This practice usually does not have any oversight by the governing body as to how these monies are expended or for what purpose these monies are expended.

Jefferson Township does not make this yearly contribution to the fire companies as allowed under N.J.S.A. 40A:14-34 but assumes all cost for the fire protection service as they would for any other township department. The fire companies submit purchase orders to the township Financial Officer for approval and payment. Records are kept both at the fire company level and the township level. Accountability of expenditures is well documented. The only fire department assets that are not a part of the township responsibility are the two main fire stations, which are owned and maintained by the companies.

At present, there are only two fire companies with two substations. If these two fire companies splintered off the two substations into individual companies, the township could then be asked to grant a contribution of \$120,000 (4 companies times \$30,000) per year with no oversight on how these monies are expended.

Therefore, the 1999 expenditure of \$135,000 for the total operational costs for fire protection with governmental control and scrutiny is a reasonable and commendable method.

### **Mutual Aid**

The geographical layout of Jefferson Township is unique in the fact that access to some sections requires a considerable driving distance through other adjoining communities. It became apparent to Jefferson that those adjoining communities could supply quicker service to these areas.

As a result, Jefferson has an agreement with the Townships of West Milford and Hardyston for fire coverage to these remote locations. In return, Jefferson Township budgets \$1,500 as “aid to fire companies in adjoining municipalities.” This practice is considerably cheaper than establishing an additional fire company within Jefferson Township’s remote communities.

**The township is commended for use of mutual aid to provide fire protection services in a successful and cost effective manner.**

### **Operations**

The Jefferson Township Fire Department plans to begin participation in the National Fire Incident Reporting System (NFIRS), which is a system maintained by the U.S. Fire Administration and is the largest fire database in the United States. The system is voluntary, but it is estimated that close to half the nation’s fire departments participate in the NFIRS and almost half of all fires attended by fire departments are reported.

As a NFIRS participant, the township would be eligible for the Jersey Thermal Imaging Camera Grant Program (C.52:27D-25b1).

Under this grant program, funds are available to fire organizations to assist in the purchase of thermal imaging cameras or to reimburse those fire organizations for funds expended to purchase thermal imaging cameras. The only requirement for is that each fire department accepting a thermal imaging camera or reimbursement, must agree to participate in the national Fire Incident Reporting System for a three-year period. To assist fire departments in the NJ Division of Fire Safety is providing fire departments with the NFIRS software at no cost to the fire department.

Since the NFIRS system is not in place yet, the team could only get an estimation of the fire calls responded to by the two fire companies. According to the fire company's rough records and the review of dispatching computer printout, the LGBR team could roughly calculate that the township fire department responded to approximately 526 alarms in 1999. Total fire loss also could not be determined for the same reasons.

Both fire companies complain of the numerous alarm malfunctions in the schools. This is presented as a large majority of the responses for the fire department. Although there has been contact with the school board concerning this problem, there does not seem to be a continuous follow-up after each alarm. The fact that the township does not have a full-time fire prevention bureau creates a void in the efforts to correct, or at least consistently highlight, this problem to the board of education. These school alarms cause unnecessary waste in manpower and equipment, which equates to a financial drain on the township fire costs and creates a non-emergency mindset on the part of volunteers when these alarms are activated.

### **FIRE PREVENTION BUREAU**

Pursuant to N.J.S.A. 52:27D-202 of the Uniform Fire Safety Act (P.L.1983, c. 383), the Uniform Fire Safety Code is locally enforced in the Township of Jefferson. The local enforcing agent is the Jefferson Township Fire Department, through its bureau of fire prevention. The fire prevention bureau enforces the code in all buildings, structures and premises within the established boundaries of the township, other than one and two unit owner-occupied dwellings used exclusively for dwelling purposes and buildings, structures and premises owned and operated by the federal government, interstate agencies or the state. The bureau also conducts periodic inspections of life-hazard uses required by the Uniform Fire Safety Code on behalf of the Commissioner of the New Jersey Department of Community Affairs.

Prior to the adoption of the State of New Jersey's Uniform Fire Safety Act, fire safety regulations were outlined in the building official code administrators (BOCA) code. Jefferson's municipal codebook references the BOCA code as the fire prevention code. The adoption of this code occurred before the creation of the present Uniform Fire Safety Act. To assist the fire prevention bureau with enforcement and revenue collections and to conform with state regulations, the township should adopt an ordinance change from the BOCA code to the Uniform Fire Safety Act.

## **Recommendation:**

**It is recommended that the township, along with the township attorney, reviews the municipal codebook and considers modifying the fire prevention ordinance to conform with the Uniform Fire Safety Act.**

## **Staffing**

A part-time fire official, six part-time inspectors, and a part-time secretary staff the fire prevention bureau. There is no weekday daytime manning of the bureau as the fire official and inspectors work on nights and weekends.

There are six inspectors drawn from members of both township fire companies. They also work on nights and weekends, but some daytime hours are worked as the inspector's full-time work schedule permits. Inspectors are paid \$30 per inspection for a commercial inspection.

The part-time secretary works between 0 and 12 hours per week, as needed, performing routine duties such as filing, copying and maintaining contact with other departments during normal working hours. This position is only paid for the hours that are worked.

The fire official who is appointed, as per township ordinance, staffs the fire prevention bureau. In May, 2000, the township council introduced an ordinance that would increase the fire official's schedule from four hours per week to eight hours per week. The fire official is currently paid a salary based on four hours a week.

## **Operations**

The revenue received for registration fees in 1999 was \$11,639. All revenue generated is for the purpose of enforcement of the Uniform Fire Safety Act. Salary and wages for the bureau in 1999 was \$4,255 and other expenses \$15,715.

The fire official currently does the home resale smoke detector certifications on Saturday, by appointment. The fire inspectors do all the other life hazard and non-life hazard commercial inspections. The inspection fees pay the inspectors.

## **Life Hazard Use Inspections**

According to township records, there are approximately 300 businesses in the township. About 110 of these businesses are life hazard uses (LHU), which are required to be inspected according to the state fire code. On average, 55 or half of these businesses are inspected. Thus, approximately half of the life hazard use businesses are not inspected according to state law and an additional 190 businesses are not registered nor inspected.

## **Non-Life Hazard Use Inspections**

The state allows a governing body to adopt ordinances to require registration and inspection of non-life hazard use occupancies, which Jefferson has, and the registration fees based upon square footage. The fees range from \$15 for a business under 2,500 square feet to \$350 for multiple residential uses over 20 units. The ordinance also requires an annual inspection of these occupancies.

Jefferson has neither the manpower nor staff to accomplish the enforcement of this ordinance. The current fire official is considering a mailing registration for these uses.

### **Staffing Analysis**

Based upon the inspection statistics, there is a definite need to increase the hours in order to perform the state mandated inspections. The township council is commended for recommending to double the hours worked by the fire official.

There is also need to have a daytime presence to inspect businesses when they are in operation. One of the reasons some life hazard use occupancies are not inspected is that they are closed at night and on weekends. The hours worked by the fire prevention inspectors do not conform to the hours of operation of most businesses and, therefore, most businesses are closed when an inspector is on duty. As a result, many businesses, which should be inspected, are not and the township is losing a significant amount of revenue.

The township should consider hiring a full-time fire official in order to meet the inspection requirements of the fire code. The full-time official could also be a trained firefighter and EMT to respond to daytime fire and ambulance calls. This position could also perform the fire prevention education for the schools and civic groups during the daytime hours.

There will also be another benefit to a full-time fire official. Since the fire companies are in the process of participating in National Fire Incident Reporting system, they will need to combine their reports to a single reporting agency for transfer to the New Jersey State Division of Fire Safety. If the fire prevention bureau was open and staffed by a full-time fire official, the bureau could become the central station for collection of reports from the fire companies and could maintain a database of fire incidents for property loss calculations, future fire investigations and pre-fire planning for the fire companies. The fire prevention bureau should be the base for the fire companies concerning what to expect upon response to a fire scene.

### **Recommendation:**

**It is recommended that the township and the fire department consider hiring a full-time fire official at an estimated salary of approximately \$30,000 and a benefit cost of approximately \$11,000.**

**Value Added Expense: \$41,000**

### **Inspection Fees**

The cost for a full-time fire official would be offset and paid by the additional fees generated from the annual inspections of LHU and non-LHU occupancies in the township during normal daytime working hours.

Fees for life hazard use occupancies are established under N.J.A.C. 5:70-2.9 and range from \$70 per year for a day nursery or camp of 6 or more but less than 50 to \$3,088.00 per year for covered malls of 100,000 square feet or more.

The fees for non-life hazard uses range from \$15 per year for a business under 2,500 square feet to \$350 for multiple residential use over 20 units. The ordinance also requires an annual inspection of these occupancies. These fees are consistent with other towns and should not be increased until or unless there is a working inspection program that can perform the required inspections.

There are approximately 190 non-life hazard uses that are neither registered nor inspected. It is difficult to accurately project the additional revenue which could be collected from registration and inspection of these businesses because the square footage of the businesses are not known.

Assuming that half the non-life hazard uses businesses are less than 2,500 square feet (\$15 per year) and the remaining are residential apartments of 13 to 20 units (\$175 per year), it is estimated there would be \$1,275 (85 x \$15) generated from uses with less than 2,500 square feet and \$14,875 (85 x \$175) would be generated from multiple residential units totaling of \$16,150.

**Recommendation:**

**It is recommended that the township begin enforcing its ordinance regarding non-life hazard uses and begin registration and inspection procedures.**

**Revenue Enhancement: \$16,150**

In 1999, half or 55 life hazard uses were inspected and generated \$11,639. If the other 55 LHUs were inspected an additional \$11,639 could be received by the township.

**Recommendation:**

**It is recommended that the township register and inspect all life hazard uses.**

**Revenue Enhancement: \$11,639**

The reorganization of the fire bureau is a considerable step. The township may want to develop a three to five year plan for continued advancement of the bureau in providing services and generating revenue to cover operation expenses.

There are many other duties that this full-time bureau could be involved with as time and laws governing fire protection evolve. For example, the fire department will be needing a centralized office to collect, verify, store and transmit fire data from the fire companies when they come on line with the national fire incident reporting system, NFIRS.

## **EMERGENCY MEDICAL SERVICES**

Two independent volunteer EMS squads, the Jefferson Township Rescue Squad and the Milton First Aid Squad provide emergency medical services (EMS).



The Jefferson Township Rescue Squad, located on Route 15, serves the Lake Hopatcong district of the township and the Milton First Aid Squad, located on Milton Road, serves the Oak Ridge section of the township. Both squads are incorporated and are classified as federally tax-exempt as a 501-(C) (3). The Milton first aid squad does not have written standard operating procedures, but does operate under their individual constitution and by-laws. The Jefferson Township Rescue Squad operates under written SOPs along with a complete set of by-laws.

Both EMS squads were originally a part of the Jefferson Fire Department. Jefferson Rescue Squad became independent of the fire department in 1972 and the Milton First Aid Squad became independent in 1959.

In 1999, the Milton First Aid Squad reported 569 EMS responses. The Jefferson Rescue Squad could not give the team an accounting of their EMS responses. Using police dispatch records, a rough estimate for the Jefferson squad was approximately 168 calls. Unfortunately, there is no requirement for EMS calls to be reported to the township or the state.

### **Recommendation:**

**It is recommended that the township require each rescue squad to submit an annual report of the total calls for service.**

### **Financial**

In 1999, the Township of Jefferson contributed \$45,000 to each of the EMS squads. N.J.S.A. 40:5-2 allows a governing body to make a voluntary contribution of not more than \$35,000 annually to any duly incorporated first aid and emergency squad or volunteer ambulance or rescue squad association.

In addition, if any association experiences extraordinary need, the governing body may contribute an additional amount of not more than \$35,000 annually, provided, however, that the need for such funds is established by the association and is directly related to the performance of said associations duties.

Whenever the total annual contribution exceeds \$35,000, the chief financial officer of the governing body shall receive an audit, performed by a certified public accountant or registered municipal accountant, of each association's financial records for the current year, which shall certify to the governing body that such records are being maintained in accordance with sound accounting principles. The team received the 1999 audit for both EMS squads. Each squad submits an audit to the chief financial officer every year.

Both squads own and maintain their individual buildings. They purchase their vehicles and all supplies necessary for the duties of emergency medical care to the township citizens. All expenses for the operation of the emergency medical associations are borne by the individual squads.

In 1999, the Jefferson Rescue Squad received \$25,236 from a fund drive, \$5,808 from donations, \$5,985 from dividends, and \$3,500 from the Auxiliary. Including the township's \$45,000 contribution, this squad had a total income of \$86,028.50.

In 1999, their expenses totaled \$85,081, which includes \$67,081 in operational expenses, a \$10,000 deposit on a new ambulance and \$8,000 set-a-side for an additional new ambulance. The set-a-side account had a balance of \$32,100. In 1999, the Jefferson rescue squad had a financial balance of \$209,759.

In 1999, the Milton First Aid Squad received \$34,043 in donations and interest income of \$5,956. Including the township's \$45,000 contribution, the squad had a total income of \$84,999.

In 1999, expenses for the Milton First Aid Squad totaled \$63,871 and they had a financial balance of \$137,129.

### **Equipment**

The current fleet of Basic Life Support (BLS) vehicles consists of six certified, fully equipped Basic Life Support Units ranging in ages from 1979 to 2000. Milton's 1979 Ford is being replaced with a new vehicle in October, 2000. Each squad has purchased all its vehicles. The township has never bought a vehicle for either squad. Below is a chart listing the fleet for each squad.

| <b>Squad</b> | <b>Year</b> | <b>Make</b> | <b>Description</b> | <b>Mileage</b> |
|--------------|-------------|-------------|--------------------|----------------|
| Jefferson    | 1992        | Ford        | BLS unit           | 39,550         |
| Jefferson    | 1996        | Ford        | BLS unit           | 9,150          |
| Jefferson    | 2000        | Ford        | BLS unit           | 4,150          |
| Milton       | 1979        | Ford        | BLS unit           | 111,000        |
| Milton       | 1991        | Ford        | BLS unit           | 58,000         |
| Milton       | 1996        | Ford        | BLS unit           | 38,000         |

The township has approximately 19,000 residents in the 42 square miles. This means there is one BLS unit for every 3,100 residents. The City of Paterson serves 130,000 residents, in an urban environment, with five BLS units, approximately one BLS for every 26,000 residents. Each squad could reduce the vehicle count by one unit and still maintain adequate coverage of the township.

### **Recommendation:**

**It is recommended each volunteer squad consider reducing its fleet by one Basic Life Support vehicle. The total number of vehicles could be reduced from six to four vehicles. Each squad could save as much as \$100,000 by not replacing one vehicle each.**

### **Membership**

The Jefferson rescue squad has 29 active members. The constitution and by-laws of the squad allows for a total membership of 56.

The Milton first aid squad has 33 members. Their constitution and by-laws allows for a total membership of 50.

Each squad has a geographical area of responsibility and members are assigned duty shifts to be ready to respond immediately upon receipt of a call. The members of both squads are highly motivated and involved in the emergency medical service.

At the present time, both squads are able to cover the daytime calls but the township should consider negotiating with the local PBA to have their police officers trained as emergency medical technicians (EMTs). A patrol officer currently responds to all calls for medical assistance and that officer is almost always at the scene prior to the BLS unit's arrival. Shortages of responding squad members during the daytime hours could be addressed by training police officers as EMTs.

### **Recommendation:**

**It is recommended the township negotiate with the local PBA for EMT training for all patrol officers.**

## **PUBLIC WORKS**

According to the township codebook, there is a department of public works (DPW), the head of which shall be the director, who may be required to hold a professional engineer's license in the State of New Jersey. The DPW consists of the following divisions:

- Division of Engineering
- Division of Roads
- Division of Buildings and Grounds
- Division of Recycling
- Division of Sanitation

As in any small department, DPW employees have multiple responsibilities. This operation is vast in scope, yet small in scale. In the continuing effort to economize, the municipality should look to expand cooperative efforts with other municipalities and entities. Overall, the department is well organized and efficiently run.

### **Staffing**

In 1999, the DPW had 18 full-time employees including the director, two foremen, three heavy equipment operators, two senior maintenance repairers, three truck drivers, three laborers, one senior mechanic, one maintenance repairer, one mechanic, one engineering inspector/zoning officer and one clerical position. The township also used two part-time laborers and a part-time recycling aide in 1999. Two of the full-time laborers are assigned to the recreation department during the spring and summer.

The director is a licensed engineer and is able to do some design work for DPW projects and works closely with the township engineer on capital projects. The director also serves as the

director of the department of utilities, which is responsible for water and sewer activities. The director also has the title of assistant engineer, which allows the director to review and sign off on engineering work of the engineering inspector/zoning officer.

Just prior to our review, the township created a new position, an engineering inspector/zoning officer. This position is involved with inspections for township's capital projects and inspections for other construction/infrastructure projects involving roads, paving, water and sewers. This inspector also performs required inspections for applications before the planning board and board of adjustment, as well as zoning duties. The engineering inspector is also a licensed surveyor and is capable of performing survey work that would normally be conducted by the outside engineering firm. The township charges developers for the inspections, as applicable, and is reimbursed from developer escrow accounts for the time spent on inspections. Township officials believe that this position will "pay for itself."

**The township is commended for creating the engineering inspector position which should reduce engineering costs and generate additional revenue.**

### **Financial**

In 1999, the public works department expended \$838,640 for salaries and benefits and \$538,256 in other expenses. An additional \$68,037 was spent in overtime.

### **Facility**

The municipal garage is adjacent to the municipal building and library. This facility is both the operations center and maintenance garage. The garage has a total of nine bays consisting of:

- 4 working bays (two w/lifts);
- 1.5 additional bays used for storage of materials/equipment to be protected from the elements and recreational equipment;
- .5 for police impoundment; and
- 3 bays used by the board of education.

In late 2000, the township renewed the lease with the board of education for usage of the municipal garage. Under the terms of the lease, the board of education pays 40% of utilities costs. The board of education also agreed to pay up to \$450,000 in capital improvements over the first five years of the lease. The township funded an architectural study of space needs in township facilities. One of the first facilities the township plans to address and upgrade is the municipal garage, which will probably include the addition of several bays to the garage.

**The township is commended for its joint venture to share the municipal garage with the board of education.**

### **Functions**

There are five primary operational areas assigned to the department: 1) road construction and repair, 2) vegetative waste functions, 3) parks maintenance, 4) vehicle maintenance, and 5) buildings and grounds maintenance. While there are always subsidiary missions in any public

works department, these are the main categories of work in Jefferson's DPW. The main areas of subsidiary/seasonal requirements are snow removal, street sign and line repair and replacement, street sweeping and catch basins/street drainage cleaning and repair.

The engineering department exists as a separate division of DPW on paper primarily. The township engineer is available to the director and often consults with him during regularly scheduled hours, but the engineer is not under the director's supervision and does not report to the director.

The township contracts with private vendors to provide garbage collection and recycling collection services to its residents.

### **Work Load Analysis**

According to the director, there is no formal schedule but from a departmental perspective, DPW staff knows the general activities that must take place over the year and, therefore, plans projects as follows:

- Winter – snow plowing and ice control;
- Spring – winter storm damage repairs (potholes, curb repairs, etc.);
- Summer – paving and road repair; oil and chip for secondary roads and paving for primary roads; drainage work; and
- Fall – preparation for winter: tree-cutting, curb cleaning, etc.

Also, there is no system of work orders or any formal records for daily activities, except for the water/sewer department. One of the foremen in the roads division maintains a daily diary of activities and the director enters a very generalized synopsis on a calendar at the end of each day. There is no real way, then, to quantify the cost of any given activity in public works utilizing man-hours or equipment time.

It would be more useful, as a management tool, if a work order system, preferably computerized, was used and work records were kept in major categories. A work order system would allow the township to document the actual cost for material and labor (including benefits and overhead) to perform either scheduled or emergency work. This would then allow for the costs of various municipal services performed to be properly compared to outside contractors. The cost effectiveness could then be more accurately calculated to determine the most efficient method to accomplish each task. This operation, though well managed, could benefit from detailed records and its use as a management tool in tracking unit cost.

A properly managed system would link work orders to an inventory control/reorder process; affix material and manpower cost to individual work orders; set priorities, plan and schedule work; provide regular reports on resource allocation; and provide a management tool to support staffing needs, and resource allocation.

LGBR believes that the township should implement a personnel computer (PC) based, work order processing system and invest in the appropriate staff training to implement and support

such a system. There are several such packages available on the market. There are also programs available using standard PC software programs, which can be obtained for little or no cost.

### **Recommendation:**

**It is recommended that the township develop a comprehensive work order and record keeping system to track all major work categories and the time and material spent on these tasks. It is recommended that the municipality implement a computer system and appropriate software to track unit cost in all areas of public works, including vehicle maintenance.**

### **Street Sweeping**

In Jefferson, street sweeping is primarily done in March and April to pick up all sand and grit from the winter snow plowing and de-icing operations. Otherwise, sweeping is done, as needed, usually for special events such as parades. Also, the township does one last sweep on all roads in the fall before leaf season begins. During the sweeping seasons, the sweeping crew puts in about four days per week (weather permitting).

In 2000, the township replaced an old Elgin sweeper and private sewer jet service with a new sweeper that deposits grit into a dump truck, at a cost of \$140,000. The township also purchased a sweeper/jet vacuum truck with sweeping capabilities.

A street sweeper travels approximately 2.5 miles per hour and can sweep approximately 7.5 street miles per day. Thus, one sweeper can sweep up to 1,950 street miles per year, under optimum weather conditions. Jefferson has approximately 180 miles of road per year. Since Jefferson sweeps after the winter season and prior to fall leaf removal, they sweep a total of 360 street miles.

Assuming that each sweeping season lasts approximately eight weeks, or 16 weeks consisting of four days per week, whether permitting, an equipment operator operates a sweeper approximately 64 days annually. The salary and benefit costs for an equipment operator for 64 days is approximately \$3,264, based upon 1999 personnel costs.

The cost for the new street sweeper, including debt service, was approximately \$147,000 for a 10-year asset or approximately \$14,700 per year. Vehicle maintenance and replacement brooms and parts are estimated at \$5,000 annually, plus the cost of an operator at 1999 cost of \$3,264. Below is a chart totaling the estimated street sweeping cost.

|  |                 |
|--|-----------------|
| Annual Sweeper Cost                          | \$14,700        |
| Maintenance/Parts Cost                       | \$5,000         |
| Personnel Costs                              | \$13,056        |
| <b>Estimated Annual Street Sweeping Cost</b> | <b>\$32,756</b> |

Using 360 annual miles swept, the cost per mile is approximately \$91, which is somewhat high, based upon past LGBR reviews. Many municipalities spend \$35 to \$45 per mile annually for this service. Sweeping contracts range from \$40 to \$90 per street mile.

Street sweeping is seldom a cost effective operation due to the time required to perform each revolution, cost of the equipment and the low number of times it is used. It is more capital intensive than other street and road functions due to the cost of street sweeping equipment. To be cost effective a street sweeper must be used every day that weather permits.

Since the township is only using its sweepers during two periods of the year, there is the potential to contract its services to other municipalities. The township administrator is considering offering street sweeping services to neighboring municipalities. This would be a cost-effective measure to offset the large capital cost involved with a street sweeping operation. Jefferson should consider contracting its street sweeping services to nearby municipalities. If the township was contracted to sweep nearly 100 street miles of road in another municipality at a rate of \$50 per street mile, the township could generate an additional \$5,000 in revenue.

After a severe storm which produced enormous flooding in August, 2000, the township contracted with the Rockaway Township for street sweeping services. Jefferson was without a sweeper because the old sweeper was not working and the new sweeper had not been delivered yet. The cost for this service was approximately \$1,600 and was reimbursed to the township by the Federal Emergency Management Administration (FEMA).

#### **Recommendation:**

**It is recommended that the township consider contracting its street sweeping services to another municipality.**

**Revenue Enhancement: \$5,000**

#### **Vehicle Maintenance**

Repairs and preventative maintenance to all municipal vehicles, including police and administrative department vehicles, are done in-house by the DPW. Work such as air conditioning and electrical diagnostics is contracted out to a local vendor. There are 76 vehicles or specialized equipment apparatus repaired by the DPW. Vehicles appeared to be well-maintained and preventive maintenance regularly done.

Two full-time employees staff vehicle maintenance: a senior mechanic and one mechanic. The salary and benefit cost for maintenance of the fleet is \$92,970. Other expenses are embedded in the public works and difficult to determine.

#### **Vehicle Equivalents**

“Vehicle equivalents” is a method to determine the staffing level needed to maintain vehicles. It was developed by the US Air Force and is recognized by various fleet management consulting groups as one of the best guidelines for analyzing staffing levels. This method determines the average hours of maintenance and repair a vehicle requires and translates those into vehicle

equivalents. For example a passenger vehicle requires approximately 17.5 hours of work per year, while a trash compactor requires 136 hours of work per year, which would be eight times the work of a passenger vehicle or a vehicle equivalent of eight.

Based on the number of vehicles, age and estimated maintenance requirements, including miscellaneous equipment, Jefferson's 76 vehicles have an approximate vehicle equivalent of 168 vehicles.

A vehicle equivalent ratio is determined by using the number of available mechanic hours. In Jefferson, a full-time mechanic is available 1,776 annual hours. This figure is calculated by reducing the 2,080 hours, which is the annual hours under a 40 hour work week, by the average number of vacation days (14), holidays (14), sick days (6.5), and bereavement and other miscellaneous days (1). The available hours (1,776) are divided by the maintenance requirements for one passenger vehicle (17.5 hours) to determine a vehicle equivalent ratio of approximately 101 vehicle equivalents per mechanic. Thus, each Jefferson mechanic should be able to handle the equivalent of 101 vehicles.

Jefferson has a senior mechanic and one mechanic and the township's fleet of vehicles has a vehicle equivalent of 168. Thus, the township has a vehicle equivalent ratio of 84 vehicles per mechanic, which is lower than the ratio of 101.

The school district has three mechanics and 29 vehicles with a vehicle equivalent of approximately 113 vehicles.

Since both the school and the municipality are below the vehicle equivalent ratio, there may be a chance of improving the ratio and efficiency by combining the two operations, which should allow for a reduction in personnel costs. The combined vehicle equivalents are approximately 281 and the ratio is 56 vehicle equivalents per mechanic.

Based upon a vehicle ratio of 101 vehicles to mechanics, the combined school and municipal fleet needs 2.8 mechanics. By reducing the combined fleet maintenance staff by two mechanics, the vehicle ratio improves to 94. Thus, it appears that a total number of three mechanics could handle the existing number of school and township vehicles.

If the school and township fleet maintenance operations were combined, the township and schools could each reduce its mechanic staff by one position.

#### **Recommendation:**

**It is recommended the township and the board of education consider merging fleet maintenance operations, which could allow for the reduction of one township mechanic, with a savings of approximately \$38,000 in salaries and benefits.**

**Cost Savings: \$38,000**



### **Fleet Maintenance Analysis**

Repairs and preventative maintenance to all municipal vehicles, including police and administrative department vehicles, are done in-house by the DPW. Occasionally, the DPW repairs fire trucks, such as fixing flat tires, but does not do preventative maintenance or significant repairs. Work, such as air conditioning and electrical diagnostics, is contracted out to a local vendor. Most required parts are purchased, as needed, and commonly used parts are kept in the inventory.

Mechanics itemize the cost of parts used for each repair job, but do not track the time spent on each job. Repair orders in the traditional sense do not exist and information such as actual hours, standard hours, and repair codes are not recorded. Without this data, actual vehicle maintenance costs are hard to determine. Collecting and analyzing data based on billable hours will allow management to measure the performance of DPW mechanics against industry benchmarks and compare the DPW operation against the private sector to determine the cost effectiveness of the operation.

### **Recommendation:**

**It is recommended that the township invest in a fleet maintenance software program to better measure the performance of the vehicle maintenance operation.**

**One-time Value Added Expense: \$2,500**

### **Garbage Collection**

The township contracts with a private vendor to provide garbage collection services to its residents. Residents receive collection twice each week, with a limit of two cans per pick-up. The current contract is for a five-year period from September 1, 1999 to August 31, 2004.

The township provides the following services through the garbage district:

- curbside trash collection, including bulky waste and metal (contractor pays tipping fee);
- curbside brush and grass collection (2 bundles of brush – 40 lb. each; or three bags of grass per week – township arranges disposal location and pays disposal fees);
- curbside collection of leaves (12 weeks of pickup, once per week – on recycling day); and
- construction dumpster at recycling center each week (max. of 160, 30 cubic yard dumpsters per year); contractor pays tipping fee.

A provision in the contract allows for increases and decreases in the tipping fees during the life of the contract such that the township gets a credit for any decrease and, likewise, must pay for any increases based upon actual tonnage figures as indicated by the weight slips that the contractor must provide on a weekly basis (regardless of whether there are any price changes).

The township has established a separate taxing district to fund the service. The 1999 garbage district budget indicated appropriations, as shown, totaling \$2,025,000 and actually expended

\$1,936,044. The 2000 budget indicated appropriations totaling \$1,874,000 and was offset by \$80,000 in surplus anticipated as revenue. Thus, the total annual cost of the garbage district to Jefferson taxpayers decreased by \$231,000.

### **Recycling**

The township also contracts with a private vendor to provide recycling collection services to its residents. Recycling is collected once each week, alternating each week between paper and commingled items. The current contract is for a three-year period from March 1, 1999 and ending February 28, 2002.

The DPW recycling yard is open to the public on Wednesdays from 9 a.m. to 2 p.m. for general recycling needs and on Saturdays from 9 a.m. to 2 p.m. for construction debris.

In the fall and spring, residents get leaf collection at the curb and must use biodegradable paper bags. Residents can purchase these bags from the DPW for \$0.25 each or from private vendors, provided they are biodegradable and paper. It takes the vendor seven to eight collections in the fall and four to five in the spring (12 total). In 1999, the sale of leaf bags generated \$8,764 in revenue.

Leaf collection is often 12-week process, which can be costly to municipalities, depending on the method of collection, and the number of crews needed. In a municipality similar in size to Jefferson, the personnel costs to dispose of fall leaves using DPW crews were approximately \$75,000.

Requiring residents to bag their own leaves in biodegradable bags is probably the most cost-effective method. By including the collection of leaves as part of the recycling collection contract, the township has provided for a productivity enhancement to its DPW crews. In the spring and summer, the vendor collects grass-clippings in the biodegradable bags. Leaves and grass are taken to a Morris County facility. The township previously operated its own compost facility at the DPW yard, but had insufficient space and inadequate equipment. It was closed in 1994.

**The township is commended for its cost-effective method of leaf and grass collection disposal which provides a productivity enhancement for the DPW.**

Recycling collection schedules are published via an insert in the local shoppers' guide and in the mayor's quarterly newsletter.

The annual cost for the recycling contract is \$690,000 and is part of the garbage district budget. A credit of \$8 per ton is provided against any revenue the vendor might realize from the sale of the recyclable material.

## **PLANNING AND ZONING**

The function of the planning and zoning office is to receive development applications for the planning board and the board of adjustment, maintain files for the boards and provide the public with access to development applications and board activity during normal business hours. The

planning and zoning office is not identified as a department or division on the Township of Jefferson's organizational chart. However, the planning board is listed as a function of the mayor and the zoning board is identified as a function of the council.

### **Staffing**

The planning and zoning office is staffed with one employee, a full-time clerk/typist, who runs the office and is under the direct supervision of the township administrator.

There are also five contracted professionals serving the planning board and board of adjustment. They include: the township planner, planning board attorney, board of adjustment attorney, planning board consulting engineer, and board of adjustment consulting engineer.

The clerk/typist attends one planning board and two board of adjustment meetings a month. The meetings are held at 8 p.m. and usually last approximately three hours. The clerk takes the minutes at these meetings. Overtime compensation at 1½ times the hourly rate is received after an eight-hour day is worked. Since the workday is 7½ hours, the clerk-typist works ½ hour at straight time before the overtime rate is applied.

### **Financial**

In 1999, the salary and benefit cost for the planning/zoning staff was approximately \$30,855 and overtime costs were \$825.

In 1999, other expenses for the planning board, board of adjustment, legal and professional services and master plan totaled \$52,251. This does not include expenses paid to contracted professionals from developer escrow accounts and does not include work related to matters of litigation.

The following table lists the fees collected in 1999 for each board and expenditures. Fees represent non-refundable charges delineated in the township fee schedule ordinance that applies to submissions of development applications. Fees are based on the nature of the application and represent new lots or new buildings. Typically, applications are for major subdivisions of land, changes in lot lines, site plans for non-residential development, non-conforming uses of the land and encroachments of zoning standards.

| <b>Board</b>        | <b>1999 Fees Collected</b> | <b>1999 Expenditures*</b> |
|---------------------|----------------------------|---------------------------|
| Planning Board      | \$14,653.75                | \$31,460.02               |
| Board of Adjustment | \$10,995.00                | \$20,280.00               |

\*Includes legal services.

### **Fee Schedule**

Jefferson Township revised their application and escrow fee schedule in November, 1998, based on recommendations made by the planning board after a committee of planning board members and staff researched the fee structures of other municipalities. The fee schedule for both filing applications and escrow fees was changed. The board of adjustment fee schedule was also revised at this time.

### **Developers' Fee Ordinance**

Please note that a developers' fee ordinance is different from off-tract contributions developers are responsible to provide under municipal land use law. Off-tract contributions include widening a roadway at an intersection leading to the development to allow for turning lanes or continuing sidewalks between the development and the school or park. LGBR believes the township does an adequate job with regard to off-tract contributions, especially with sewer and water improvements.

The township can adopt the developers' fee ordinance after it receives substantive certification of its fair share-housing plan. The New Jersey Council on Affordable Housing (COAH) requires municipalities to adopt a fair share-housing plan which stipulates how the municipality will provide their fair share of housing for low and moderate income individuals. Once a municipality has received substantive certification from COAH, the town may enact a developers' fee ordinance, whereby, all developers would be required to deposit money to a municipal housing trust fund, to be used towards providing for future low and moderate income housing. At the time of our review, Jefferson had submitted their fair share housing plan, and was awaiting approval from COAH.

In December, 1990, the New Jersey Supreme Court determined that mandatory development fees are both statutorily and constitutionally permissible. The court designated COAH as the agency to establish the standards, to approve ordinances and to monitor the process of development fees. Generally, residential development can be assessed at one half of one percent of the equalized assessed value for the development. The fee could be increased, in areas of increased density, to six percent of the equalized assessed value for each additional unit. The maximum allowable fee for non-residential development is 1% of the assessed value or appraised value used for construction financing.

The township should itemize the off-tract improvements established under prior approvals to determine if the developers are providing their fair share, so the costs of future improvements resulting from development does not become the burden of the taxpayer.

The township should establish policies and procedures for estimating the developers' fair share. Since the township does not have a policy that standardizes off-tract contributions, it is vulnerable to litigation from a developer, who could argue that the contributions requested by the township engineer were excessive or unfair.

With an approved fair share-housing plan and development fee ordinance, the township could receive one half of one percent of the equalized assessed value for each residential development. In 1999, 150 certificates of occupancies (COs) were issued for residential developments. Based upon 1999 COs, the township would receive approximately \$112,500 from developer fees using an average residential assessed value of \$150,000.

### **Recommendation:**

**It is recommended that the township should establish policies and procedures for estimating the developers' fair share.**

**Revenue Enhancement: \$112,500**

### **Township Planner**

The township planner is a contracted professional who has an agreement to serve as the planner for the township, planning board and board of adjustment and to render advice and guidance in the implementation of the master plan and zoning ordinance. While the consulting planner has a single contract with all three bodies, most of the services are to the planning board.

In 1999, the planner reviewed all of the planning board's 23 applications submitted. In 1999, the planner did not attend any board of adjustment meetings and provided written comments on 2 of 25 applications submitted.

According to the contract, the planner receives a \$300 fee for attendance at each planning board and board of adjustment meeting. A rate of \$85 per hour is charged for the review of applications, ordinance preparation and special studies or assignments requested by the administrator. The review of applications is charged to the developers' escrow account.

According to the contract, the planner shall be available at the municipal building for up to six hours per month, at an agreed upon two hour minimum session, to provide technical assistance to the planning board secretary, township building officials, and the township zoning officer, as required and when directed. A rate of \$70 per hour is charged for up to six hours a month to provide this technical assistance at the municipal building. According to the planner, she is on site every Wednesday and interacts with the engineer and handles applications.

At the time of our review, the planning secretary had recently been hired and was very much in need of technical assistance and training from the planner. Since the planner is only on-site a few hours per week and month, the clerk and the public had difficulty obtaining answers to planning questions. The clerk has been sent to some planning seminars to improve her general knowledge with planning issues and procedures. It is recommended that the township continue to train the clerk about planning issues and procedures. It would be beneficial for the planner to set a schedule with the clerk to review pertinent planning issues.

### **Recommendation:**

**It is recommended that the township continue to provide the planning secretary with adequate training.**

In 1999, the planner received a total of \$38,523 for planning and zoning services to the township. Approximately \$26,468 was paid by the township and \$12,055 from developer escrow accounts. Of the \$26,468 expended was \$4,852.50 for on site services and \$3,340 for special and consulting.

### **Recommendation:**

**It is recommended that the planner's contract, approved by the township council, clearly delineate the professional services to the township council, the planning board and the zoning board and further identify who will distribute the work for each body and what is expected of the planner in regard to attendance at meetings, review of development**

**applications, grant writing and other projects. Also, it may be beneficial for the township to track three years of the planner's bills and total hours worked to determine if a flat fee, with a not to exceed provision, would be more beneficial to the taxpayers.**

### **Planning Board**

The planning board is comprised of two elected officials, the police chief, the environmental commission chairperson, the health advisory board chairman and six members from the public at large.

The Jefferson Township planning board meets once a month on the second Tuesday of the month. Prior to the beginning of the meeting, a committee of the planning board reviews applications for completeness. The planner and the engineer attend the completeness review session and advise the committee. The board reviews applications month after month in a work environment, and at the end of the review, a decision on the application is made that night. An alternative to holding only one public session is to establish a work agenda meeting to review applications that are complete but not ready for a public hearing, because of technical or planning issues. The engineer and planner understand the township regulations and the requirements of the board and that should be communicated to the applicants prior to being put on any agenda, so that when the board reviews the application the technical comments are satisfied.

Within the town's land use regulations, under section 137-28B(2) the clerk's responsibility for routing a site plan application is outlined. Based on an interview with the clerk, her duties involve receiving development applications for both boards, reviewing them to determine if all the necessary forms and documents are included in the submission, and routing them to the consultants and members of the planning board completeness committee for completeness review. She forwards the application filing fee to the tax office with a receipt and the escrow fee to the finance office with a routing form before setting up a public file.

### **Recommendation:**

**It is recommended that the township modify its completeness review process so that the entire board is working with planning and development issues and not giving administrative advice about the completeness, or lack thereof, of an application. Such review for completeness should be the responsibility of the engineer, planner or the site review committee. Completeness under the municipal land use law (N.J.S.A. 40:55D-10.3) means that the applicant has provided the "information indicated on a checklist adopted by ordinance and provided to the applicant."**

In 1999, there were 23 development applications submitted.

### *Policies and Procedures*

Although the board does not have bylaws or administrative procedures, they have policies which have been established at various times and are recorded in minutes. The policies of the board should be collected and consolidated into a manual so the staff can distributed to board members and made available to the public.

## **Recommendation:**

**It is recommended that the township consolidate its policies into a manual or bylaws.**

### *Planning Board Records*

LGBR had a difficult time analyzing the work of the planning board. Gathering information regarding applications from the office was tedious and difficult.

The planning board should prepare an annual report. Although not required by state statutes, some planning boards prepare an annual report that summarizes planning board activity and the nature of applications. Annual reports justify the work of the planning board, support their budget and lay the groundwork for master plan and land use ordinances changes. In Jefferson, the clerk/typist logs applications on a spreadsheet, which is missing some pertinent information, such as the nature of the application. Without a more detailed log or an annual report, it is difficult to determine actually how many applications are submitted in a year and, more importantly, the nature of the applications such as subdivisions, site plans, and conditional uses.

Applications are filed by block and lot, which is an efficient way to file because it is consistent with how the building, tax and other departments usually file information, but planning board and board of adjustment applications, were mixed together in the filing cabinets. A change in the filing system would enable the clerk to retrieve information more quickly. Filing by block and lot could still be done, but files for each board should be separated.

## **Recommendation:**

**It is recommended that the township and planning board implement a detailed log system to better monitor and track applications. It is further recommended that the applications be filed separately within the block and lot system for easier access. The township should also consider preparing an annual report, which will help to lay a basis for amendments to the master plan and land use ordinances.**

### *Written Statement/Notice*

LGBR found examples where proper notice/written statement was not given. Applicants are required to provide notice of public applications under N.J.S.A. 40:55D-12(a)-(j) of the Municipal Land Use Law. Property owners within 200 feet of the proposed development must be notified in writing at least ten days prior to a hearing on the application.

In Jefferson, the applicant, who is a developer or resident has the responsibility for providing the proper notice. In some municipalities, the municipality takes the responsibility to make proper notice. In Jefferson, LGBR found that there were applicants before both boards who had either not given the proper public notice or did not include pertinent information in the notice. This was especially obvious when an attorney did not represent an applicant. Currently, the township does not give direction to the applicant regarding the state law. The result is that applicants appear before the board and are sent home to provide the proper notice.

The township and the planning board should establish a procedure that would guide the applicant to making proper notice. Having a staff person or a consultant give a written statement to the applicant regarding the public notice would save time for the board, staff and public.

**Recommendation:**

**It is recommended that the clerk/typist, or someone representing the planning and zoning boards, evaluate the application and provide a written statement to the applicant as to the wording in the public notice.**

*Planning Board Attorney*

The planning board attorney, who has served as the board's legal counsel for approximately 12 years, is a prominent land use attorney. His firm provides land use services to 35 municipalities, of which this attorney handles 15 municipal planning and zoning boards.

The contract between the board and the attorney specifies a flat rate of \$650 for attendance at meetings and \$125 per hour for all other legal work. The fee is higher than the other professionals serving the boards in Jefferson. According to the planning board attorney, there is little or no litigation brought against the planning board, thereby, saving the cost to legally defend the planning board's decisions.

The attorney reviews all planning board applications and the review is charged to the developers' escrow account.

In 1999, the planning board attorney received approximately \$38,018. Approximately \$25,331 was paid by the township and \$12,055 from developer escrow accounts.

*Planning Board Consulting Engineer*

The township engineer serves as the consulting engineer to the planning board. The consulting engineer attends planning board meetings and reviews planning board applications. The engineer receives \$275 to attend each planning board meeting and other work is charged at a rate of \$125 per hour.

While the engineer has a contract with the township to serve as the township engineer, the contract does not address duties with the planning board. It is recommended that the township engineer's contract address work with the planning board. The planning board duties and the fee structure should be clearly outlined.

In 1999, the planning board engineer received approximately \$39,069 for legal services to the planning board. Of the \$39,069, the township paid \$3,025 for attending planning board meetings and \$36,044 was paid from developer escrow accounts.

**Recommendation:**

**It is recommended that the township engineer's contract address work with the planning board.**



## **Master Plan**

A master plan is a document prepared and adopted by the planning board to guide development that forms the basis for land use regulations. A master plan, traditionally, contains information on historic development, trends of development and the municipality's vision for future development. According to N.J.S.A. 40:55D-89, the governing body shall provide a periodic reexamination of its master plan at least once every six years.

Jefferson's master plan was adopted in 1962 and 1978. Since 1978, the Jefferson master plan has been revised several times:

- In 1985, a land use amendment and a housing element was included.
- In 1988, the housing element was amended.
- In 1991, the master plan was updated.
- In 1996, a zoning map was adopted.
- In 1998, the planner prepared a re-examination report of the master plan, which was approved by the planning board on July 14, 1998.
- The planning board approved a re-examination report on August 22, 2000.

The 1991 updated master plan sets forth goals and objectives, reports on the physical constraints along with population and housing characteristics, and updates the land use element. The land use element in the 1991 master plan is a summary of the 1978 five zoning districts and a proposal for amending the zoning districts to address the changes that had occurred since 1978.

In reality, the 1991 plan is not as much an updated document as it is a readopted plan, because the township no longer offers the 1978 master plan for sale. While the 1991 plan meets the statutory requirements, it is not comprehensive and has dated conservation, historical and public improvement sections.

The planning board approved a re-examination report on August 22, 2000 that addresses their need to comply with the state mandate that requires a re-examination of the master plan every six years, beginning on August 1, 1982. After a review of master plan data, it appears that the re-examinations occurred in 1988 and 1994 as required by land use law. According to Municipal Land Use Law, N.J.S.A. 40:55D- 89 and 89.1, the absence of the adoption by the planning board of a reexamination report pursuant to section N.J.S.A. 40:55D-89 shall constitute a rebuttal presumption that the municipal development regulations are no longer reasonable. The power to zone is predicated on the adoption of a master plan.

Although the master plan is a guide, it is important that the municipality consider it a living document and keep it current so that it supports the land use regulations and vice versa. In the event that a developer challenges the township's land use ordinances, the courts usually look to the master plan to substantiate the regulations.

The township clerk sells copies of the master plan for \$25. The updated 1991 version of the master plan, along with the re-examination report of 1998, is being sold with an attached zoning map. There have been approximately five sets sold over the last year.

The housing element and fair share plan, which was adopted on February 14, 2000, is also sold from the township clerk's office for \$25. At the time of our review, no housing elements and fair share plans have been sold.

### **Recommendation:**

**It is recommended that the township review the validity of the 1991 master plan and seek legal advice concerning the vulnerability of the town, if any. At the very least the planning board should expand the land use element to include a 10-year or twenty-year plan. Money had been budgeted in 1999 for the preparation of an open space plan.**

### **Affordable Housing**

The township's housing element and fair share plan was adopted February 14, 2000 and has been forwarded to COAH for substantive certification. The plan represents the township's intent to provide their fair share of low and moderate-income housing.

The municipality's obligation is to provide 131 units and an agreement was entered into between a developer and the township. The agreement is typically referred to as a builder's remedy settlement, which means the developer will build four market rate units for every affordable unit. A developer owns a tract of land consisting of 175 acres. It will be developed with 567 market units and 37 new low and moderate-income units. The 94 remaining affordable units will be credited to 62 rehabilitation of existing houses and 32 senior citizen units.

The above agreement, once certified by COAH, will be valid for six years. There is a feeling among residents that the development may never be built because of the environmental constraints, primarily the steep slopes. As a result, an alternate plan for providing their fair share of low and moderate-income housing was incorporated with the housing element and fair share plan.

**The township is to be commended for having the vision to protect themselves from litigation with an alternate plan.**

### **Consistency with the State Development and Redevelopment Plan**

The State Development and Redevelopment Plan of 1992 was established to plan for a future that anticipates one million new residents moving into the state by the year 2020. When the state plan was drafted, the New Jersey Office of State Planning (OSP) created a mechanism called "cross acceptance" to allow municipalities to interact with the state regarding how the plan would be written.

The conduit between the state and the municipality is the county. Jefferson has not requested any change in planning areas; however, their planner has prepared a plan showing the boundary of two centers. The township did not submit a report or application for designation and has missed the opportunity to do so at this time. LGBR recommends that the township evaluate the benefits derived from designating centers and consider seeking center designation.

## **Board of Adjustment**

The board schedules two meetings a month; the second and fourth Monday of each month.

The board's attorney is present at all of their meetings; their engineer and planner are present when required by the chairman. The consulting engineer reviews about 1/3 of the board's applications. Normally, when the engineer reviews an application he goes to the public meeting. The planner only reviews applications where requested by the board's chairman.

The board appoints the planning office's clerk/typist as their secretary and the duties of the secretary are itemized in section 1:1-5 of part I (administration) of their bylaws.

Applications move rapidly from the time they are submitted to the planning office to when they appear on an agenda. Often it is less than one month.

The board's attorney prepares an annual report in accordance with N.J.S.A. 40:55D-70.1 of the Municipal Land Use Law section C.40:55D-70.1 for the board's adoption that is forwarded to the planning board and governing body.

In Jefferson, the applicant, who is most often a resident, has the responsibility for providing the proper notice. In some municipalities, the municipality takes the responsibility to make proper notice. In Jefferson, LGBR found that there were applicants before both boards who had either not given the proper public notice or did not include pertinent information in the notice. This was especially obvious when an attorney did not represent an applicant. Currently, the township does not give direction to the applicant regarding the state law. The result is that applicants appear before the board and are sent home to provide the proper notice.

The township and the planning board should establish a procedure that would guide the applicant to making proper notice. Having a staff person or a consultant give a written statement to the applicant regarding the public notice would save time for the board, staff and public.

## **Recommendation:**

**As with the planning board, it is recommended that the township authorize someone to deem the board of adjustment applications complete before an application is heard by the board or placed on an agenda. Actually, it is probably more important to work with applicants before the zoning board, because those applicants tend to be residential property owners who appear before the board without a lawyer.**

### *Board of Adjustment Attorney*

This contracted attorney, who has served the board of adjustment since 1985, attends all of the board of adjustment meetings.

The board of adjustment attorney receives a fee of \$325 for attendance at each board meetings. Other work such as research, preparation of the board's annual report, litigation, and the

preparation of resolutions are charged at a rate of \$100 per hour. The preparation of resolutions is charged to the developer's escrow account. The attorney does not charge for talking with the planning office clerk or calls from board members.

In 1999, the board of adjustment attorney received a total of \$25,932 for legal services including litigation to the board of adjustment. Approximately \$18,080 was paid by the township and \$7,852 from developer escrow accounts.

Litigation work involves cases wherein the board is sued for denying an application and included three cases, at the time of our review.

#### *Board of Adjustment Consulting Engineer*

There is also an engineer who has been contracted to serve as the consulting engineer to the board of adjustment. The board of adjustment engineer has a contract with the board of adjustment and the scope of services is clearly outlined in the contract and includes:

1. Attendance at regular and special meetings for the board when requested.
2. Consult with and advise the board on matters involving engineering principles and expertise in relation to applicants and/or applications to the board.
3. Review of all documents of an engineering nature submitted with applications to the board and report to the board as to the results of said reviews.

Per the contract, the board of adjustment engineer receives \$275 for attendance at each meeting. Other work is charged a rate of \$120 per hour. According to the engineer, he does not charge any costs to the budgeted account; rather, attendance at board of adjustment meetings and review of applications are charged to the applicant's escrow account.

In 1999, the board of adjustment engineer received a total of \$24,573 for engineering services to the board of adjustment. The township paid approximately \$6,605 for litigation-related work and \$17,968 from developer escrow accounts.

The engineering budget is under the division of engineer in the department of public works along with a line item for engineering services in the board of adjustment budget. In 1999, \$500 was budgeted and nothing was expended.

## **CONSTRUCTION AND HOUSING INSPECTION**

Code enforcement and inspections are provided by the division of construction and housing inspection within the department of administration and finance. The division enforces state and municipal laws relative to construction, alterations, renovations, rehabilitation and occupancy of buildings.

This division also works with Morris County's housing rehabilitation program. The construction official works with the county to prioritize the houses eligible for funds to be used towards upgrading heating and electrical systems and repairing roofs and foundations to bring the house up to modern day standards.

### **Staffing**

The division is headed by the construction official. There are three full-time positions; the construction official and two technical assistants. There are also five part-time employees; code enforcement officer, zoning officer and electrical, plumbing and fire subcode inspectors.

The construction official serves as both construction official and building subcode official. The building subcode position is a union position; therefore, the department head is a member of the white-collar union.

The code enforcement officer works 18 hours per week. The plumbing subcode inspector and the electrical subcode inspector work no more than 12 hours per week, while the fire subcode inspector works only as needed.

Until 1998, the electrical subcode inspector position was filled by a full-time electrical subcode official. In 1998, an individual who devoted half his time to electrical subcode inspections and the other half to code enforcement held the full-time position.

The zoning officer is a full-time employee, but the zoning officer position is part-time. This employee's time is split between zoning and public works. The distribution of time is approximately 35% to zoning matters and 65% to public works matters.

The current staffing level is meeting the workload and appears to be an efficient operation.

### **Financial**

In 1999, the total salary and benefits cost for this division was \$209,900 and other expenses were \$7,040. An additional \$933 was spent in overtime. The total cost for this department was approximately \$217,873 in 1999.

In 1999, the department generated \$320,379 in revenue from fees charged for issuing permits and conducting inspections. Ten years ago, when the construction official took the position, the division's annual revenue was less than \$45,000 annually. After a study involving surrounding and comparable municipalities, the township gradually implemented a fee increase. Over a four year period, the division more than tripled its fee schedule.

**The township is to be commended for the manner in which it implemented the fee increases incrementally and maximizing revenue.**

## **Functions**

The main function of the department is to issue permits. The technical assistants receive an application, process it for completeness and route it to the zoning officer and the appropriate inspectors. Once the fee is submitted a receipt is given, the fee amount is posted in a ledger and the money is transferred to the tax collector for deposit.

Applications are tracked on UCCAR II software that produces detailed information used by the New Jersey Department of Community Affairs to monitor development within the state.

It is also the responsibility of the technical assistants to schedule inspections. All inspectors have established a schedule of when they are in the office, which enables the technical assistants to schedule inspections efficiently and advise the public accordingly. At the request of the construction official no more than ten inspections are scheduled in a day for any one inspector. The efficiency is such that there is no backlog of inspections. The technical staff does, however, experience times when there is a backlog in the review of plans.

## **Continuing Certificates of Occupancy (CCOs)**

Many municipalities require a continuing certificate of occupancy when a property changes ownership; Jefferson does not. The township should consider the merits of CCOs. The township has a lot of vacation dwellings that are being converted to year round houses. Health problems arise because a family of three or four occupy a structure year round that was built for a smaller family, to be used only three months out of the year. Often septic systems may not be adequate or working properly. Requiring an inspection of the septic to get a CCO would help the township deal with the public health issues.

At the time of the review, the building office did not have the staff needed to conduct inspections, which would take approximately 15 to 20 minutes plus travel time. Establishing a requirement for CCOs with a \$25 inspection fee would cover the costs of time to conduct the inspection and allow the township to pay for additional staff hours, as needed.

## **Recommendation:**

**It is recommended that the township consider requiring a continuing certificate of occupancy when a property changes ownership.**

## **Offices**

The employees' workstations are located in three different offices. The construction official has his own office. The code enforcement officer, zoning officer and three inspectors share an office consisting of three desks. A computer is situated on one of the desks. Since these employees are all part-time workers and are in the office on staggered schedules, they are able to utilize the space without much overlapping.

The two technical assistants are in an office removed from the construction official and technical staff. When the construction official and the subcode inspectors are in the municipal building the public come directly to the door of their offices to discuss the status of a permit or for

information. While the staff is spread among three different offices, the division functions well. The township, department head and entire staff of this department are to be commended for establishing a work place that is congenial, productive and professional.

### **Fleet**

Three municipal cars are assigned to this department to conduct inspections.

### **Inspections/Permits**

The 1999 activity involving the number of inspections and permits issued for the construction official and the inspectors is presented in the chart below. The monthly average for inspections was 66 and the monthly average for permits issued were 36.9.

| <b>Subcode</b> | <b>Inspections</b> | <b>Permits Issued</b> |
|----------------|--------------------|-----------------------|
| Building       | 1,638              | 982                   |
| Electrical     | 938                | 499                   |
| Plumbing       | 663                | 269                   |
| Fire           | 209                | 169                   |
| <b>Total</b>   | <b>3,448</b>       | <b>1,919</b>          |

The township is expecting a new subdivision of approximately 400 houses to begin by 2001 and anticipate a heavier workload as a result. Presently, the efficiency of the department is outstanding, making the workload manageable.

### **Code Enforcement Officer**

This position was created for the enforcement of ordinances. The code enforcement officer position is an 18-hour a week job. While vacation and sick leave benefits are received, health insurance, social security and pension benefits are not received. The annual salary is \$18,720, based upon an hourly rate of \$20 per hour.

Prior to October, 1999 when the current employee was hired, the electrical subcode official, as part of a full-time position, performed this job.

The primary responsibility of this position is to respond to complaints, both oral and written, and resolve complaints/issues. The code enforcement officer investigates a complaint, photographs an apparent violation and either negotiates compliance or refers the matter to the township engineer, health officer, or appropriate person.

There is no state requirement for recording the number of inspections performed; however, the employee logs the investigations in a journal. Between October, 1999 and September, 2000, there were 92 investigations logged. The code enforcement officer is empowered to issue summons, if necessary; however, most of what requires court intervention is something that the code enforcement officer usually refers to another employee such, as the health officer or zoning officer.

In most municipalities, a zoning officer enforces the land use element of the township regulations and should be responsible for such enforcement in this area. In Jefferson, the zoning officer does not enforce ordinances, land use or other regulations. Currently, the health officer

and township engineer enforces ordinances within their areas of expertise. Having a code enforcement officer may be duplicative unless the township wants or needs a mediator. In other municipalities, the municipal administrator often is responsible for handling complaints.

### **Recommendation:**

**It is recommended that the township evaluate the purpose of this position and consider redistributing the handling of complaints to the township administrator's office and other appropriate departments. The elimination of this position could save approximately \$18,720.**

**Cost Savings: \$18,720**

### **Zoning**

The zoning officer is a full-time employee; however, with part-time duties in this department and part-time duties in the DPW. The distribution of his time is approximately 35% to zoning matters and 65% to public works.

The zoning officer is responsible to review plans for compliance with the land use standards. A detailed log of reviews is kept in the building department. There is no enforcement task associated with this job and no summonses are issued. Between October, 1999 and September, 2000, 299 plans were reviewed.

| <b>Nature of Application</b> | <b>Number</b> |
|------------------------------|---------------|
| Decks and porches            | 89            |
| Additions and garages        | 86            |
| Pools, sheds and tower       | 59            |
| New houses                   | 47            |
| Signs                        | 9             |
| Alterations, steps/walkways  | 5             |
| Docks                        | 4             |
| <b>Total</b>                 | <b>299</b>    |

There is no fee collected for zoning review and no zoning permit is issued. The township could provide either a zoning permit or a notation on the building application that the plans are in compliance with the zoning standards. In doing so the township could charge for the review of plans. In this case, the time the zoning officer spends reviewing plans would not be the taxpayers burden.

As indicated in the above chart, improvement to private homes is the majority of activity. It is anticipated that such improvements will continue as people upgrade their homes and add amenities for enjoyment or convenience. Developers should be required to secure a zoning permit for all new construction under any circumstances.



**Recommendation:**

It is recommended that the township consider charging for zoning permits. If a zoning permit was required for a \$25 fee, the township would have realized \$7,475 in the past 11 months. Such a fee would help to offset the salary paid to the zoning officer for his time.

**Revenue Enhancement: \$7,475**

**Workload Statistics**

The following three charts present an observation of permit, certificate and value of construction for the years 1997, 1998 and 1999 and is offered for comparison purposes.

| <b>Construction Permits</b> |              |              |              |
|-----------------------------|--------------|--------------|--------------|
| <b>Type of Work</b>         | <b>1997</b>  | <b>1998</b>  | <b>1999</b>  |
| New construction            | 144          | 138          | 154          |
| Additions                   | 75           | 162          | 144          |
| Alterations                 | 868          | 903          | 941          |
| Demolitions                 | 43           | 59           | 101          |
| <b>Total</b>                | <b>1,130</b> | <b>1,262</b> | <b>1,340</b> |

| <b>Certificates</b>                |              |             |              |
|------------------------------------|--------------|-------------|--------------|
| <b>Type of Certificate</b>         | <b>1997</b>  | <b>1998</b> | <b>1999</b>  |
| Certificate of Occupancy           | 214          | 205         | 187          |
| Certificate of Approval            | 1,066        | 699         | 878          |
| Temporary Certificate of Occupancy | 1            | 0           | 4            |
| Certificate of Compliance          | 15           | 0           | 0            |
| <b>Total</b>                       | <b>1,296</b> | <b>904</b>  | <b>1,069</b> |

| <b>Total Value of Construction</b> |                     |                     |                     |
|------------------------------------|---------------------|---------------------|---------------------|
|                                    | <b>1997</b>         | <b>1998</b>         | <b>1999</b>         |
| Permits                            | \$14,615,772        | \$17,500,790        | \$19,527,870        |
| Certificates                       | \$15,667,102        | \$15,180,547        | \$17,151,469        |
| <b>Total</b>                       | <b>\$30,282,874</b> | <b>\$32,681,337</b> | <b>\$36,679,339</b> |

**Septic Issue**

The inspector noted that there should be a mechanism to verify the use of the septic. This comment came up in the interview with the attorney for the Zoning Board of Adjustment when it was discussed that a large number of summer houses had been converted to year round residences and that bedrooms and baths had been added, increasing the impact on the septic system.

**Recommendation:**

It is recommended that the township evaluate the number of times converting dwellings to year round is happening and consider requiring a permit from the health officer or issuing a continuing certificate of occupancy.

## ENGINEERING

The township contracts with an engineering firm to serve as township engineer and perform necessary engineering services, including capital projects and water and sewer projects. The township engineer also serves as the consulting engineer to the planning board and attends planning board meetings and reviews planning board applications. Another engineer is retained to serve the board of adjustment.

The township has a contract with the engineer which outlines terms and conditions. The engineer receives \$300 to attend each meeting of the township council and \$275 to attend each planning board meeting. Other work is charged at a rate of up to \$125 per hour. A fee schedule with the hourly rate for other employees of the engineering firm is included in the contract.

### Financial

In 1999, the township engineer was paid a total of \$315,528 for engineering services with the township. Of this amount, the township paid approximately \$192,494 and developers through escrow accounts paid approximately \$123,035.

|                   |                  |
|-------------------|------------------|
| General Services  | \$105,419        |
| Capital Projects  | \$54,210         |
| Water/Sewer*      | \$32,865         |
| <b>Total</b>      | <b>\$192,494</b> |
| Developer Escrow  | \$36,044         |
| Inspection Escrow | <u>\$86,991</u>  |
| <b>Total</b>      | <b>\$123,035</b> |

\*Includes water and sewer capital projects.

In 1999, the board of adjustment engineer received a total of \$24,573 for engineering services to the board of adjustment. Approximately \$6,605 was paid by the township for litigation-related work and \$17,968 from developer escrow accounts.

In total, the township generated \$340,102 in engineering work. The township paid approximately \$199,099 from taxpayer dollars.

### In-house Engineering Office

Based upon the amount spent and generated from engineering work, the township should consider hiring an in-house engineer and forming an engineering department. The township could hire a full-time engineer, engineering staff such as an engineering aide, a draftsman, and support staff and still spend approximately \$200,000. There would also be one-time expenses for equipment and other supplies. The township would also retain a portion of the escrow fees paid by developers.

In order to have an in-house engineering operation, the township would need to establish approximately four new positions. A licensed engineer, who could serve as the deputy engineer and engineering aide with municipal engineering experience, are needed. The current DPW director is also a licensed engineer and performs some engineering services in his duties. The

DPW director would serve as the head of engineering office and the newly hired licensed engineer would serve as the deputy engineer and be primarily responsible for day-to-day engineering functions. Entry level positions such as a draftsman and a clerk typist would also be needed.

Below is a chart estimating the salary and benefit costs for these positions. Benefits included estimated costs for health insurance, social security, pension and Medicare benefits.

| <b>Position</b>  | <b>Salary</b>    | <b>Benefits (est.)</b> | <b>Totals</b>    |
|------------------|------------------|------------------------|------------------|
| Deputy Engineer  | \$65,000         | \$15,223               | \$80,223         |
| Engineering Aide | \$40,000         | \$12,060               | \$52,060         |
| Draftsman        | \$25,000         | \$10,163               | \$35,163         |
| Clerk Typist     | \$20,000         | \$9,530                | \$29,530         |
|                  | <b>\$150,000</b> | <b>\$46,976</b>        | <b>\$196,976</b> |

There would also be one-time equipment costs for computer equipment and other engineering and general supplies. A fully loaded computer workstation with necessary engineering software and hardware costs roughly \$10,000. Two workstations would be needed for technical personnel and one personal computer at a cost of approximately \$1,500 would be needed for clerical support. The start-up costs for equipment is estimated at approximately \$21,500.

The estimated total cost for an in-house engineering office is approximately \$218,476. While this is approximately \$20,000 more than the township spent on engineering services in 1999, these costs would be offset by revenue generated by inspections and review of planning and zoning applications as well as other engineering inspections.

Under the Municipal Land Use Law, N.J.S.A. 40:55D-53.2, municipalities may charge certain costs of municipal employees against a developer's escrow account. If the salary, staff support and overhead for a municipal professional are provided by the municipality, the charge shall not exceed 200% of the sum of the products resulting from multiplying the hourly base salary, which shall be established annually by ordinance, of each of the professionals and the number of hours spent by the respective professional upon review of the application for development or inspection of the developer's improvements, as the case maybe.

It is difficult to determine the amount of revenue which would be generated to the township, but it is believed that it would be greater than the \$20,000 increase for an in-house operation. Thus, it would probably not cost the township any more money to maintain an in-house engineering operation versus the current arrangement.

The main question in this instance is the level of service. While Jefferson currently receives a good level of service, will it receive a greater level of service from a full-time in-house staff? There would probably be greater availability to the general public and to township staff with an in-house engineering operation.

The clerk in the planning/zoning office could be transferred to the engineering office. Currently, the planning clerk reports to the township administrator. By transferring the clerk to engineering, the clerk could be supervised by the township engineer, who would already have

significant involvement with planning and zoning applications. The planning clerk could staff the engineering office in lieu of a new clerk typist or in addition to a new clerk typist, depending on the workload.

At the time of our review, the planning clerk had been in this position for a short period of time but was quickly “learning the ropes.” LGBR feels that this employee would be able to handle both planning and engineering functions and would give the in-house engineering operation necessary clerical support. It is suggested the township consider transferring the planning clerk to the engineering office and monitor the workload to see if additional clerical support is needed.

### **Recommendation:**

**It is recommended that the township consider hiring a full-time deputy engineer and the merits of an in-house engineering staff.**

## **WATER AND SEWER**

According to the municipal codebook, there is a separate Department of Utilities consisting of the division of water and the division of sewers. The utilities department had initially been a part of the public works department. The public works director is also the director of the water and sewer department, however, effectively rendering it a division of public works.

The township first established a utilities operation in the late 1970s when, under court order, it was forced to assume control of a number of small, failing, privately operated water/sewer systems. Between 1979 and 1989, Jefferson absorbed ten water systems and two sewer systems. The township has been in the process of combining these systems into three systems in recent years through upgrades and interconnections, most of which are expected to be completed within the year. The service areas are divided into two divisions: the Milton Division in the Northwest and the Lake Hopatcong division at the Southeast end of the township.

In terms of municipal accounting, Jefferson operates both a sewer utility and water utility. Although the township controls the sewer utility and water utility, they are two separate budget and accounting entities and are operated under the principle that the revenues of each utility should pay for its operational costs and related debt service. The department of utilities is not an independent authority, but rather a subordinate department of the township.

### **Staffing**

In 1999, staffing for the water/sewer divisions consisted of seven full-time employees and two part-time employees. Full-time employees included a licensed operator, one senior water/sewer repairer, three water/sewer repairers, a principal account clerk and a supervisor of customer service. Part-time employees included a water meter reader and a utility consultant position, which has been eliminated.

## **Organization**

While the public works director also serves as the director for water and sewer, the de facto superintendent is the licensed operator, who reports to the director. The licensed operator has prior experience in a number of utility operations in both the private and public sectors, and possesses five water/sewer-related licenses in New Jersey.

Under the licensed operator are one principal account clerk and one supervisor of customer service. The senior repairman acts as a foreman, doing some administrative work in addition to the usual maintenance work. The two water/sewer repairers primarily work in the water functions (one in Lake Hopatcong and the other in Milton) and the other water/sewer repairer works primarily in the sewer functions. The principal account clerk and one supervisor of customer service handle the billing and collections.

In 1999, the cost of salaries and benefits was \$325,321 and additional \$35,321 was expended in overtime. According to township officials, overtime is rarely necessary for anything other than emergent situations, e.g., water main breaks, etc. Non-emergent situations usually involve water main construction (CDBG force account projects in past year and again this year).

Water and sewer facilities require weekend and holiday monitoring and maintenance. Two men work every Saturday and Sunday, consisting of approximately 11-13 total weekend hours for water work and approximately nine hours on Saturdays for sewer work. Weekend water/sewer workers receive overtime for weekend duties and are paid at time and half rate.

Assuming 75% of the 1999 overtime was due to weekend coverage, the township weekend coverage cost would be approximately \$24,725, based upon 1999 overtime figures. The township may wish to consider hiring additional part-time workers for weekend coverage. The township would not be required to pay overtime to these workers; rather the workers would be paid at their normal hourly rate.

By hiring part-time, the sewer/water repairmen for the weekend coverage would eliminate most overtime. By paying at a regular pay rate rather than the overtime rate of time and a half, the township could save approximately \$8,241, based upon 1999 overtime figures.

## **Recommendation:**

**It is recommended that the township evaluate weekend coverage. The township should eliminate the scheduled weekend overtime for water/sewer repairmen and integrate weekend coverage into a regular workweek. Water/sewer repairmen would be paid at their regular pay rate rather than at their overtime rate.**

**Cost Savings: \$8,241**

## **Billing and Collections**

The office sends out quarterly bills to one-third of the township's customers every month. The township's policy is to disconnect service after five quarters of delinquent payments. Even so, the township sends multiple notices and gives customers one last chance when they show up to cut off service before actually disconnecting it.

The water utility has 3,180 accounts and the sewer utility has 912 accounts. Through numerous Local Government Budget Review studies, LGBR has established a benchmark for efficient staffing of revenue collection. LGBR has determined that a ratio of one full-time clerical employee is needed for every 3,000 to 3,500 lines of billing. Two employees, the principal account clerk and one supervisor of customer service handle the billing and collections providing a staffing ratio of one employee to every 2,046 accounts or lines of billing. Based upon a staffing ratio of one full-time clerical employee for every 3,000 lines of billing, the utility office needs approximately 1.4 billing/collection employees.

The tax collection office has a staff of approximately 3.4 full-time employees and has approximately 8,800 tax lines. Combined with the utility office, there are approximately 12,900 accounts and tax lines. Based upon the LGBR staffing ratio, approximately 3.7 to 4.2 employees would be needed to staff a combined tax and utility collection office.

Combining these two offices or functions would allow for the reduction of staffing from 5.4 full-time employees to 4.4 employees. It should be noted that the tax collection office also serves as the central cashier for nearly all township departments and accounts for an additional 5,200 annual central cashier transactions. In 2001, the township added the recreation and welfare departments to this central cashier function of the tax collection office. The township should monitor the impact of these additional transactions. Even considering the additional transactions, LGBR office believes a staffing level of approximately 4.4 positions should be able to handle the tax collection, utility collection and central cashier functions. LGBR has seen some well run departments handle approximately 5,000 to 6,000 tax lines per employee.

Township officials have considered combining the offices and have indicated that the utility office is converting their collection and billing software to the same system used by the tax collection office, which would allow for a smooth transition. The collection periods for the utility collection should be staggered and should not coincide with the tax quarters to spread an even workload throughout the entire year.

### **Recommendation:**

**It is recommended that the township consider consolidating or transferring the utility billing and collection to the tax collection office. This change would allow for the reduction of one utility collection employee, which would produce a savings of \$45,000 in salary and benefits.**

**Cost Savings: \$45,000**

### **Water Systems**

The water system is currently comprised of five independent systems, each with its own supply, storage and distribution system. They are: Lake Hopatcong, Vassar, Madoc, Paderewski, and Milton.

#### *Lake Hopatcong*

Lake Hopatcong is the largest system, serving approximately 2,100 customers including 30-35 businesses. Water is provided by a 235 gallons per minute (g.p.m.) rated well and a connection

to the Morris County MUA through whom the township purchases bulk water at a premium of \$1,700 per million gallons, with a limit of one million gallons per day. The township is currently testing a well that was drilled 15 years ago to determine whether to cap it permanently. Otherwise, it may be incorporated into the system, and perhaps to reduce their dependency on the Morris County MUA and the attendant costs. The distribution system includes mains as small as two inches, but as large as ten inches. Using a combination of low-interest loans, grant funds and force account labor, the township is replacing the smaller and otherwise substandard mains - using eight-inch ductile iron pipe as the standard - at the rate of 1,500 – 2,000 linear feet per year. Storage exists in the form of three standpipes ranging in size from 160,000 gallons to 350,000 gallons. The two million gallon storage tank that Morris County uses to provide water to the system is effectively theirs because Jefferson is the only entity using it.

#### *Vassar*

This is the most recently acquired system, serving 40 homes with two small wells – 20 g.p.m. and 18 g.p.m. There is no storage and the distribution system consists entirely of three-inch black plastic pipe. Although a full upgrade is planned for completion by year's end - new 30 g.p.m. well, six-inch ductile iron mains, a 250,000 – 300,000 gallon standpipe, and a booster pump to maintain pressure – integration with the main system is not physically possible due to its remote location.

#### *Madoc*

Built in the late 1980s, this system serves 40 customers utilizing a 35 g.p.m. well, with plastic distribution lines. By the end of the year, the system will be connected to the main Milton system through a 10-inch ductile iron main and the well will be abandoned. The mains will be replaced with eight-inch ductile iron pipe.

#### *Paderewski*

This system was designed as part of a 40 unit housing development, according to planning board approved standards, with the intent of being connected to the Milton system. The township was forced to assume ownership and complete the project when the contractor abandoned the job. The system includes a 120 g.p.m. well, a 10,000 gallon hydra-pneumatic tank for storage, and a 380,000 gallon standpipe. The distribution lines are primarily eight-inch ductile iron piping.

#### *Milton*

When the township acquired this system in 1980, it was six separate systems, serving 600 homes. The township has since integrated all six systems into one system serving over 1,200 customers, including some businesses. Water is provided by three wells, one of which is a rarely used backup source. Storage is available in the form of a 400,000 gallon standpipe, and the distribution lines are about half-and-half ductile iron and transite pipe, ranging from 8 inches to 12 inches in diameter. Although, the aim is to have a distribution system entirely of ductile iron, the transite sections are still reliable and are being replaced, therefore, only when necessary due to breaks and failures.

### **Treatment/Inspections**

Treatment is performed directly at each wellhead. Hypochloride solution is injected at all wells; soda ash is used for pH buffering at two of the wells; and filtering is employed at the Milton system's backup well.

Inspections of all aspects of the system are conducted daily; hydrant flushing is done only once per year due to staffing limitations. Contractors are employed for electrical, instrumentation, and pump work. Otherwise, the department handles its own entire repair and maintenance needs. Inspections require 2-2.5 hours per day using one guy at each end of town in a pickup. The rest of the work consists of handling work orders; general maintenance; sampling, leak repairs and grass cutting. Work orders can be customer service calls, contractor mark-outs; installing wet-taps; cutting service on or off; and assisting with the water meter reading.

Meter tampering may be more than a nuisance problem as seven instances has been uncovered in the last seventeen months.

### **Water Utility Financial**

The chart below depicts the financial condition of the sewer utility. Over the last five years, the financial condition of the water utility has improved. Water rents have increased by 39% and fund balance or surplus has increased significantly, but is subject to significant fluctuations, as there seems to be a trend in which expenditures exceed revenues every other year. Debt service has also increased by 41%. From 1995 through 1999, the township passed four bond ordinances worth approximately \$3.8 million to address necessary improvements to the water distribution and supply system. An additional \$302,000 in refunding bonds were authorized during this period. As of 12/31/99, the water utility had authorized \$8,391,234 in bonds and notes.

In the last two years, the township has had to make emergency appropriations at the end of the fiscal year because the water rates and revenue collected did not cover operating expenses.

|   | <u><b>1995</b></u> | <u><b>1996</b></u> | <u><b>1997</b></u> | <u><b>1998</b></u> | <u><b>1999</b></u> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| <u><b>Revenues</b></u>                  |                    |                    |                    |                    |                    |
| Operating Surplus Anticipated           | \$30,335           | \$0                | \$120,000          | \$100,000          | \$70,000           |
| Rents                                   | \$824,921          | \$941,082          | \$1,023,722        | \$1,131,802        | \$1,145,381        |
| Miscellaneous                           | \$37,386           | \$301,058          | \$156,204          | \$153,396          | \$146,436          |
| Reserve for Debt Service                | \$10,798           | \$0                | \$36,119           | \$0                | \$0                |
| Other income                            | \$74,347           | \$15,364           | \$0                | \$35,759           | \$76,005           |
| <b>Totals</b>                           | <b>\$977,786</b>   | <b>\$1,257,504</b> | <b>\$1,336,045</b> | <b>\$1,420,958</b> | <b>\$1,437,822</b> |
| <u><b>Expenditures</b></u>              |                    |                    |                    |                    |                    |
| Operating*                              | \$602,525          | \$671,935          | \$801,895          | \$770,895          | \$816,230          |
| Capital Improvements                    | \$0                | \$0                | \$13,000           | \$20,000           | \$0                |
| Debt Service                            | \$442,775          | \$431,439          | \$471,912          | \$530,302          | \$624,817          |
| Deferred Charges/Statutory Expenditures | \$28,454           | \$41,794           | \$75,875           | \$55,545           | \$83,517           |
| Deficit in Operation in Prior Years     | \$0                | \$25,515           | \$0                | \$0                | \$0                |
| <b>Totals</b>                           | <b>\$1,073,754</b> | <b>\$1,170,683</b> | <b>\$1,362,682</b> | <b>\$1,376,742</b> | <b>\$1,524,564</b> |
| <b>Excess/Deficit</b>                   | <b>-\$95,968</b>   | <b>\$86,821</b>    | <b>-\$26,637</b>   | <b>\$44,216</b>    | <b>-\$86,742</b>   |
| <b>Fund Balance - January 1</b>         | <b>\$41,553</b>    | <b>\$40,250</b>    | <b>\$247,071</b>   | <b>\$221,235</b>   | <b>\$165,450</b>   |

\*1999 includes a \$150,000 emergency appropriation.



## **Sewer Systems**

The sewer system is comprised of two treatment plants, one at Moosepac serving 260 homes and the other at White Rock, serving 700 homes, representing approximately 25% of the residents.

### *White Rock*

This facility was taken over from the developer in 1980 when it proved beyond his capacity to meet DEP standards. It is rated at 180,000 g.p.m., but permitted for 170,000. The plant was renovated two years ago to comply with a DEP directive. Currently, there are five pump stations on the collection system that feeds the plant, each with the required backup power and overflow alarms. A digital dialer at each station is programmed to call the police dispatch unit directly in the event of a problem. The collection system is all eight-inch transite piping. Discharge is to Mitts Pond. This plant requires the attention of one man (water/sewer repairman) eight hours per day, one senior water/sewer maintenance repairman for three hours per day, and the licensed operator's attention for about two to three hours per week.

### *Moosepac*

This facility is rated at 77,000 g.p.m. and has been in the township's control for about two and a half years since the developer turned it over to them. There are two pump stations in the collection system feeding into the plant, complete with backup power and overflow alarms (same digital dialing system as in the White Rock stations). The plant discharges into a groundwater leach field as a way of recharging the aquifer. The collection system is all eight-inch PVC piping.

There is no sewer service to Lake Hopatcong area, although an engineering feasibility study is currently underway.

## **Inflow and Infiltration**

A recent system-wide inspection revealed few inflow and infiltration problem, however the licensed operator suspects that there is a problem with sump pumps connected to the system, and occasionally employs smoke testing to find it. Some residents are upset by the use of smoke, so an in-line inspection camera is often used. Many other towns have found that illegal sump pump connections to the sanitary sewer contribute greatly to the extreme flows recorded after storm events. Some municipalities have addressed this problem by conducting public education programs. LGBR is also aware of at least one town which imposes a sump pump surcharge to all accounts unless the property owner submitted to an inspection to verify that sump pumps were not discharging illegally into the sanitary sewer. A surcharge of approximately \$25 per quarter was instituted. The surcharge was increased each year to further entice compliance. Within two years, approximately 70% of all accounts were inspected and granted surcharge exemptions. A few years later, approximately 98% of all accounts were exempted.

Township officials monitor the flow levels after storm events and have not seen any dramatic increases in these levels after storm events.

## Recommendation:

The township is commended for studying and monitoring inflow and infiltration and is urged to continue to monitor it. It is recommended that the township considers instituting a public education program regarding the discharge of sump pumps into sanitary sewers and even considers instituting a sump pump surcharge.

## Sewer Utility Financial

The chart below depicts the financial condition of the sewer utility. Over the last five years, the financial condition of the sewer utility has improved. Sewer rents have increased by 68% and fund balance or surplus has increased by 215%. Debt service has also increased by 243%. From 1995 through 1999, the township passed two bond ordinances worth approximately \$650,000 to address necessary improvements to the sewer system. An additional \$250,000 in refunding bonds were authorized during this period. As of December 31, 1999, the sewer utility had authorized \$2,407,040 in bonds and notes.

|   | <u>1995</u>      | <u>1996</u>      | <u>1997</u>      | <u>1998</u>      | <u>1999</u>      |
|---|------------------|------------------|------------------|------------------|------------------|
| <b><u>Revenues</u></b>                    |                  |                  |                  |                  |                  |
| Operating Surplus Anticipated             | \$0              | \$55,000         | \$0              | \$50,845         | \$0              |
| Rents                                     | \$426,618        | \$519,058        | \$626,017        | \$717,891        | \$717,266        |
| Miscellaneous                             | \$52,229         | \$47,041         | \$44,215         | \$34,870         | \$65,003         |
| Other income                              | \$0              | \$20,994         | \$1,189          | \$33,496         | \$65,545         |
| <b>Totals</b>                             | <b>\$478,846</b> | <b>\$642,093</b> | <b>\$671,420</b> | <b>\$837,102</b> | <b>\$847,814</b> |
| <b><u>Expenditures</u></b>                |                  |                  |                  |                  |                  |
| Operating*                                | \$319,137        | \$449,159        | \$395,393        | \$474,260        | \$445,398        |
| Capital Improvements                      | \$0              | \$0              | \$16,600         | \$25,000         | \$25,000         |
| Debt Service                              | \$59,018         | 134236           | \$134,500        | \$154,525        | \$202,693        |
| Deferred Charges/Statutory Expenditures   | \$61,771         | \$97,206         | \$83,565         | \$100,060        | \$57,400         |
| Overexpenditure of Appropriation Reserves | \$3,978          | \$0              | \$0              | \$0              | \$0              |
| <b>Totals</b>                             | <b>\$443,904</b> | <b>\$680,601</b> | <b>\$630,058</b> | <b>\$753,845</b> | <b>\$730,491</b> |
| <b>Excess/Deficit*</b>                    | <b>\$34,942</b>  | <b>-\$38,508</b> | <b>\$41,362</b>  | <b>\$83,257</b>  | <b>\$117,323</b> |
| <b>Fund Balance – January 1</b>           | <b>\$43,621</b>  | <b>\$87,133</b>  | <b>\$63,625</b>  | <b>\$104,987</b> | <b>\$137,398</b> |

\*In 1996, there was a \$70,000 emergency appropriation.

## Rates (Water and Sewer)

The township operates a sewer utility and separate water utility and rates are set by the governing body.

The sewer usage fee for all residential properties is at \$780 per year billed by the municipality and payable quarterly. For all commercial uses, the sewer usage fee is \$8.50 per every 1,000 gallons of usage, payable quarterly, with a minimum of not less than \$950 per year. The last sewer rate changes occurred in April, 1999 and June, 2000, when residential rates were reduced slightly. Overall, the financial condition of the sewer utility is good.

The water usage rate for all residential customers, who are unmetered, is \$187 per quarter or \$748 annually. For metered customers, the water usage rate is of \$65 per quarter for a minimum use of 10,000 gallons per quarter, and there shall be an additional use charge of \$3.60 for each additional 1,000 gallons. The last water rate increases occurred in April, 1999 and July, 1997.

The township council has had an unofficial policy to only increase water rates every two years, even though increases were needed to make the utility self-sustaining. In the last two years, the township has had to make emergency appropriations at the end of the fiscal year because the water rates and revenue collected did not cover operating expenses. In 2001, the township plans to increase water rates by 10% and then add an inflationary increase each year. This should help make the water utility self-sustaining and should help the township address needed but costly capital improvements.

### **Recommendation:**

**It is recommended that the township set its water rates to cover its operating expenses plus its debt services, thus making the water utility self-sustaining. This should reduce the need for emergency appropriations. The township would not only save on the amount borrowed for the emergency appropriation, but also the interest which would be paid.**

### **Connections (Water & Sewer)**

Township ordinances do not require sewer and water connections for homes and businesses adjoining the existing water and/or sewer systems. Rather, the municipal codebook only requires property owners without a potable water supply to connect to the public water system. The connection or hook-up fee is \$2,000 for water and \$2,000 for sewer.

State statute N.J.S.A. 26:3-31 permits a municipality to require properties adjoining a sewer line to connect into the sewer system. According to Jefferson officials, mandatory connections are required of residents in proximity to sewer systems.

State statutes do not explicitly allow a municipality to require connection to a water system. A municipality adjacent to Jefferson has successfully argued in court that municipalities have the right to require residents to hook into a water system based upon common law and health and safety issues.

While it is a difficult decision to require residents with a potable well to connect to a public water supply, it is a prudent decision based upon health issues and the financial condition of the water utility. With the township being required by the courts to take over several failing private water systems, there are certainly health issues pertaining to Jefferson's potable water supply. It is recommend the township and its township attorney investigate mandatory water connections to homes in proximity or adjoining to the public water supply.

According to township officials, there are approximately 250 to 300 homes which are in proximity of a public water supply, but not connected. Mandatory connections to the public water systems would generate an additional \$500,000 to \$600,00 in revenue, based upon the number of homes in service areas, but not connected.

**Recommendation:**

**It is recommended the township consider requiring properties adjoining water lines to connect to the public water systems. It is recommended that the township attorney ensure that the connection policy and fees comply with applicable regulations.**

**Revenue Enhancement: \$500,000 - \$600,000**

**Overview/Problems**

According to township officials, the township has made some bad decisions regarding its water and sewer systems. Some years ago, the township spent approximately \$1.8 million on a well, which was merely drawing surface water that seeped into an underground cavern or mine shaft. It has since been capped and abandoned, but the township must still pay the remaining debt service for a well which has never produced water for the township.

The township has also been forced by the courts to assume control of a number of old and run-down water and sewer systems and makes necessary capital improvement, thus contributing to the financial difficulties of the utilities. In 2000, the township was forced to take over the Vassar water system and make necessary improvements worth approximately \$500,000. Due to the geography of the township, this system only serves 22 dwellings consisting of approximately 40 clients and there is no opportunity to extend the system to other homes, as this is a remote section of the township.

The township appears to be on the right track with its water and sewer utilities. The township has finished a water master plan which addresses the improvements needed to the various water systems throughout the township along with cost estimates and timetables. This master plan should allow the township to better manage its capital improvements.

**The township is commended for developing a water master plan to guide and assist in the planning and implementation of the needed improvements to the water system.**

**HEALTH DEPARTMENT**

The official title of the department is Health and Welfare. However, since these two divisions operate independent of each other they are being reported separately. Also, within the health department, the township provides personal health services, environmental health services, animal control services, transportation services, registrar of vital statistics services and health education services. Health education services are provided through a professional service contract with the Morristown Memorial Hospital.

The township also has an Advisory Health Council, which recommends concerns relating to the operation and administration of the department and also makes recommendations to the mayor and council on matters of policy and ordinances affecting the department.

## Functions/Services

The board of health is required by State law to meet the Minimum Standards of Performance (N.J.A.C. 8:52-1.1 et. seq.) in providing health services and programs to township residents. The minimum standards encompass the following areas:

- **Administration** - includes administrative services, health promotion, public health nursing, and elective emergency medical services.
- **Environmental Health** - includes recreational bathing, camp grounds, youth camps, food surveillance, occupational health, public health nuisance, and elective institutional health.
- **Communicable Disease** - includes acute communicable disease, immunizations, rabies and zoonosis control, tuberculosis control, and sexually transmitted disease.
- **Maternal and Child Health** - includes infants and preschool children, child lead poisoning, improved pregnancy outcome, elective ambulatory health care for children, elective children's dental health, elective family planning, elective obstetrics, and elective school health.
- **Chronic Illness/Adult Health Services** - includes cancer services, diabetes services, cardiovascular disease services, health services for older adults, elective alcoholism control, elective ambulatory medical care, elective drug abuse control, elective nutrition, elective adult dental health, elective vision, hearing, and speech programs, and elective home health care.

## Staffing

In 1999, a staff of 14 consisting of seven full-time and seven part-time employees provided health services. Full-time positions included a health officer, a sanitarian, an administrative clerk/registrar position, a senior clerk typist, an animal control officer, and two omnibus drivers. Part-time positions included: one animal control officer, one substitute animal control officer, one omnibus driver, one substitute bus driver, two public health nurses, and a substitute public health nurse. In 2000, the substitute animal control officer was eliminated.

The nursing staff is responsible for managing the township health center and conducting various health clinics throughout the year.

## Advisory Health Council

The township also has an Advisory Health Council, which recommends concerns relating to the operation and administration of the health department and also makes recommendations to the mayor and council on health matters. This council is also used to advise the mayor on appeals made to the mayor from a ruling of the health officer. According the municipal codebook, the advisory council is scheduled to meet at least once per month. At the time of our review, the council had canceled a scheduled meeting for lack of a quorum. In fact, the team found long periods of time when the council did not meet due to a lack of a quorum. From October, 1992 to March, 1995, the advisory council had only one meeting. Similarly, from December, 1995 to June, 1997, there were no meetings.

## **Financial**

In 1999, the total salary and direct benefits cost for the health department, not including the welfare office, was \$377,430. Other expenses were \$44,069. An additional \$8,392 was paid in overtime. In 1999, the total health department expenses, not including the social service office, were \$429,891.

The township also received a \$20,000 grant from the Morris County Paratransit unit to offset the cost of the township's dial a ride bus service. In addition to the county grant, the department collected \$65,541 in fees in 1999 from its various functions. Fees and grants offset more than 21% of the total cost of operations.

The township also makes an annual contribution of \$14,000 for the operation of a day care center as a part of the health department budget. The day care center is run by a private nonprofit organization. While an appropriation for the environmental commission is part of the departments' budget, the environmental commission reportedly has nothing to do with the health department.

## **Environmental Services**

This section of the department conducts restaurant inspections, food handler training, septic system inspections and plan review, witness of soil and permeability testing, well water and bathing place sampling, camp and nursery school inspections and environmental complaint investigations. Based on our interviews with the health officer and sanitarian, it appears that most of their time is spent responding to septic problems.

The health officer, the sanitarian, the administrative clerk and the senior clerk typist manage the environmental services of the department. The team estimates the salary and benefit cost to be \$111,654 per year based on salary and benefits cost and the percentage of time spent by the health officer, the sanitarian, the administrative clerk, and the senior clerk typist. The total revenue for this function was \$36,265 or approximately 32% of the total salary and benefit costs.

The sanitarian and the health officer conduct the required inspections. At the time of our review, the sanitarian was on extended sick leave and the health officer alone was conducting inspections. Prior to the sanitarian's leave there was a significant backlog of inspections.

In 1999, records show that only three of the town's 15 bathing places were inspected and only 37 of the 78 food establishments were inspected. During this same time period, the department conducted 713 investigations while addressing 413 complaints. The health officer explained that most complaints require several investigations thus resulting in the number of investigations far out numbering the number of complaints. Staff estimate 90% of all complaints are for septic systems failing which requires a considerable amount of time and effort to resolve problems.

It appears the majority of the departments' time is spent investigating complaints, especially septic complaints. As a result, many of the required annual inspections of commercial establishments in the township are not being done.

The township should also look at ways of reducing the number of complaints through promotional campaigns to raise public awareness as to the importance of cleaning the septic systems on a regular basis. The health department should also work with the building department on this issue because additions may have been put on houses without expanding the septic system to accommodate the additional space, although permits are often not taken out when improvements are done.

### **Recommendation:**

**It is recommended that the township and the health department set priorities and organizes work schedules to insure that all food establishments are inspected once a year. Based on the total of 78 food establishments, the department should allocate its workload to insure that at least seven food establishments are inspected each month during the course of normal field operations. It is also recommended that the township consider a promotional campaign to raise public awareness of the importance of cleaning the septic systems regularly.**

### **Staffing Analysis (sanitary inspectors)**

A health officer, who is officially responsible for the overall operation of the department, heads the department. However, the current director functions primarily as a sanitarian responding to various complaints from local residents. The team found that the health officer spent at least fifty percent of the time in the field doing various inspections and witnessing various tests. A full-time sanitarian is also in the field responding to complaints, doing inspections and witnessing various tests.

A staffing analysis for sanitary inspectors was conducted using criteria developed by the NJ Department of Health. Based upon the number and types of field inspections including complaints within the township, the staffing analysis shows that the township has a staffing requirement of 2.2 sanitary inspectors, based upon 1999 inspection data.

Since the health officer spends about 50% of the time with field inspections, Jefferson has approximately 1.5 full-time sanitarians, which is approximately 0.7 sanitary inspectors less than needed. It should be noted that, the township requires approximately 1.7 inspectors to address the complaints alone. Since the health department estimates that at least 50% of all complaints are septic related, it would need 0.85 inspectors to address septic complaints/issues. If septic complaints were not included in the workload, the staffing requirement would drop to 1.35 full-time inspectors.

If the township were to privatize septic complaints/inspections, the township's current staffing level of one-full-time sanitarian and the health officer, who spends ½ the time with inspections, would be adequate. It is recommended that the township consider privatizing the septic complaints and inspections. The workload created by septic issues in Jefferson further illustrates the need for an awareness program for proper septic maintenance.

**Recommendation:**

**It is recommended that the township consider hiring a private vendor with proper sanitarian licenses and experience to investigate and respond to septic issues and complaints. Based upon the 85% of the salary cost for a sanitarian, the cost for this service should not exceed \$35,000. Contracting with a vendor saves approximately \$7,000 - \$10,000 in benefit costs in comparison to hiring an additional sanitarian to work for the township.**

**Value Added Expense: \$35,000**

**Vital Statistics**

The administrative clerk/registrar handles this function along with some occasional input from the health officer. The administrative clerk serves as the registrar. This function had recently been moved into the health department from the clerk's office at the time of our review. The estimated annual salary cost for this function was \$23,000 based on percentages of time spent on these functions at the time of our review. (Administrative clerks approximately 36% and the health officers approximately 15% of respective salary and benefit costs.)

In 1999, the department issued 113 marriage licenses, 106 certified marriage records, 5 certified birth records, 37 certified death records, and 434 photocopies.

In 1999, the department collected \$4,070 from vital statistic fees, which amounts to 17.7% of the total salary and benefit costs for this period.

**Animal Control**

The full-time animal control officer, who spends approximately 50%-80% doing field work and responding to calls for services, also maintains the animal shelter, takes complaints, and administers all laws and ordinances relating to animal control. A part-time animal control officer works primarily on weekends to open the shelter and feed the animals in the shelter and to perform emergency services in the absence of the full-time animal control officer. There was an additional animal control officer, who was terminated, in early 1999 after earning only \$2,142. This position has been eliminated.

In 1999, the total salary and direct benefits cost for animal control services was \$53,726. Other expenses were \$3,669. An additional \$1,403 was paid in overtime. In 1999, the total animal control expenses were \$58,798.

The department collected \$16,561 in fees under this section in 1999. This amounts to 28% of the salary costs for this period. Of the total fees collected \$11,737 was placed into the dog trust account. The remaining revenue was derived from cat licensing, pound fees, and replacement tag fees and was placed into the current fund.



### **Dog and Cat Fees**

| <b>Category</b>        | <b>Fee</b> |
|------------------------|------------|
| Dog License Neutered   | \$5.00     |
| Dog License Unneutered | \$10.00    |
| Cat License Neutered   | \$5.00     |
| Cat License Unneutered | \$10.00    |
| Daily Boarding Fee     | \$10.00    |
| Pickup Fee             | \$10.00    |
| Replacement Tags       | \$1.00     |

In addition, the township has a graduated late fee schedule that could result in an additional \$12 depending on how late the license application is submitted. Dog licenses are required to be renewed on or before January 31<sup>st</sup> every year. Cat licenses are required to be renewed on or before June 30<sup>th</sup> every year.

The dog trust account had a small deficit of \$32 as of December 31, 1999. During this period, major expenditures from the trust included \$3,572 to the Jefferson payroll account, \$2,234 and for pet supplies, \$2,001 and for the electric bill and \$1,302 for septic cleaning. The trust fund was budgeted an amount of \$25,000 despite the fact that only \$10,581 was collected in revenue and \$1,155 was carried forward from 1998. It is not clear why the township is budgeting an amount so much larger than the amount of revenue realized.

#### *Dog Census*

According to N.J.S.A. 4:19-15.15, the chief of police or other employee designated by the governing body shall cause a dog canvass to be conducted every two years. Jefferson has not done an accurate dog census in several years. The last major effort to conduct a dog census was in 1995. At that time, records show that 56 dogs and cats were licensed and 76 warnings were issued to residents with dogs or cats residing on their property.

According to the American Veterinary Medical Association to estimate the number of dogs in a community, multiply the number of households by 0.534. Using this formula, with approximately 7,100 housing units, the township should have approximately 3,791 dogs. In 1999, the township licensed 1,504 dogs, which suggests that the township has an unlicensed dog population of 2,287. Assuming half of these 2,287 additional dogs are licensed after a canvass, the township would realize at least \$5,719 in additional dog license revenue, based upon a \$5 license and registration fee for a spayed or neutered dog.

The Borough of Bound Brook uses volunteer senior citizens to conduct its biennial dog canvass. Jefferson also has an active senior population and may be able to implement a similar program. While the size, population, and geography of Jefferson make dog canvassing a larger task, it is a program which could be worthwhile.

**Recommendation:**

**It is recommended that the township implement a biennial dog canvassing program, in compliance with state statutes, possibly using volunteer senior citizens. By licensing an additional 1,144 dogs, at least \$5,719 in additional revenue would be realized.**

**Revenue Enhancement: \$5,719**

According to the AVMA, to estimate the number of cats in a community, multiply the number of households by .0598. Using this formula, with approximately 7,100 housing units, the township should have approximately 4,246 cats. In 1999, the township licensed 515 cats, which suggests that the township has an unlicensed cat population of 3,731. Assuming half of these 3,731 additional dogs are licensed after a canvass, the township would realize an additional \$9,327 in cat license revenue, based upon a \$5 license and registration fee for a spayed or neutered cat.

**Recommendation:**

**Though not required by state statutes, it is recommended that the township include cats in its biennial dog canvass, which would create an additional \$9,327 in revenue, based upon the licensing of 3,731 additional cats.**

**Revenue Enhancement: \$9,327**

**Personal Health Services**

Personal health services include various health programs, clinics and screenings offered to township residents. These programs include: child health clinics, mammograms screenings, glaucoma screenings, blood pressure screenings, cancer screenings, and many other programs listed in the chart below.

These services are handled by two part-time registered nurses, a substitute nursing position and the senior clerk typist. The estimated salary cost for this service is \$43,617 based on salary and benefits cost of the two part-time nurses, one substitute nurse and 25% of the senior clerk typist's time. In 1999, this section generated \$8,646 in revenue, which amounts to approximately 20% of the salary and benefit cost.

| <u>HEALTH SERVICES</u>   | <u>FEES</u> | <u>PARTICIPANTS</u> | <u>REVENUE</u> |
|--------------------------|-------------|---------------------|----------------|
| Male screening           | \$14        | 9                   | \$126          |
| Hemocult slide           | \$5         | 1                   | \$5            |
| Foot clinic registration | \$10        | 8                   | \$80           |
| Foot clinic visit        | \$5         | 716                 | \$3,580        |
| SMAC panel               | \$12        | 162                 | \$1,944        |
| SMAC panel               | \$6         | 310                 | \$1,860        |
| Urinalysis               | \$5         | 11                  | \$55           |
| Pap smear                | \$10        | 19                  | \$190          |
| Colo-rectal exam         | \$5         | -                   | \$ -           |
| Flu shot                 | \$2         | 53                  | \$106          |
| PSA test                 | \$10        | 70                  | \$700          |
| <b>TOTALS</b>            |             | <b>1,359</b>        | <b>\$8,646</b> |

The preceding chart shows fees generated from various clinics conducted in 1999. Based on the above data reported in 1999, the department has experienced significant levels of participation for its foot clinic and blood screening programs and moderate levels of participation in its flu shot and PSA programs. The remaining 6 programs experienced poor participation levels during this period. The department reportedly evaluates participation levels to determine if programs will continue in succeeding years. However, despite low participation levels for the urinalysis, pap smear, male screening and hemocult slide programs the department continues to offer these clinics to its residents. Participation levels for blood pressure screening; child health conferences, female cancer screening and glaucoma screening were not reported on the departments' annual report.

### **Recommendation:**

**It is recommended that the township and the health department evaluate the participation levels of these programs and consider discontinuing programs with low participation levels. Discontinuance in a clinic may not result in a cost reduction unless the township reduces nursing hours from the part-time hours they have now. It may provide additional time for the nursing staff to maintain records on services provided.**

The department acts as a Medicare provider for the flu shot clinic and as such receives federal reimbursement to offset the cost of the flu clinic. Participants should be screened for possible third party insurance. The department is not aware of how many participants may have health insurance that could potential offset the township's cost. The township uses a registration form that records the name, address, and other pertinent information. This form could be modified to include health insurance information.

The department contracts with approximately six agencies to provide the services for the various health programs. In 1999, the cost of these services was approximately \$25,000.

### **Recommendation:**

**It is recommended that the township revise its registration forms to determine whether or not program participants have health insurance and whether services provided can be billed to their insurance carrier.**

### **Health Education Service**

At the time of our review, the department was in the first year of a contract for health education with Atlantic Health Systems/Morristown Memorial Hospital. The services to be provided were:

- a) assessment of health education needs;
- b) planning, development and implementation of health education programs; and
- c) integration of a health education component into department programs and services.

The contract specified that the vendor would be paid \$35 per hour for up to 180 hours not exceeding \$6,300 for the year. At the time of our review, which was six months into the contract, the hospital had recorded 81.5 hours or 8.5 hours less than the expected monthly

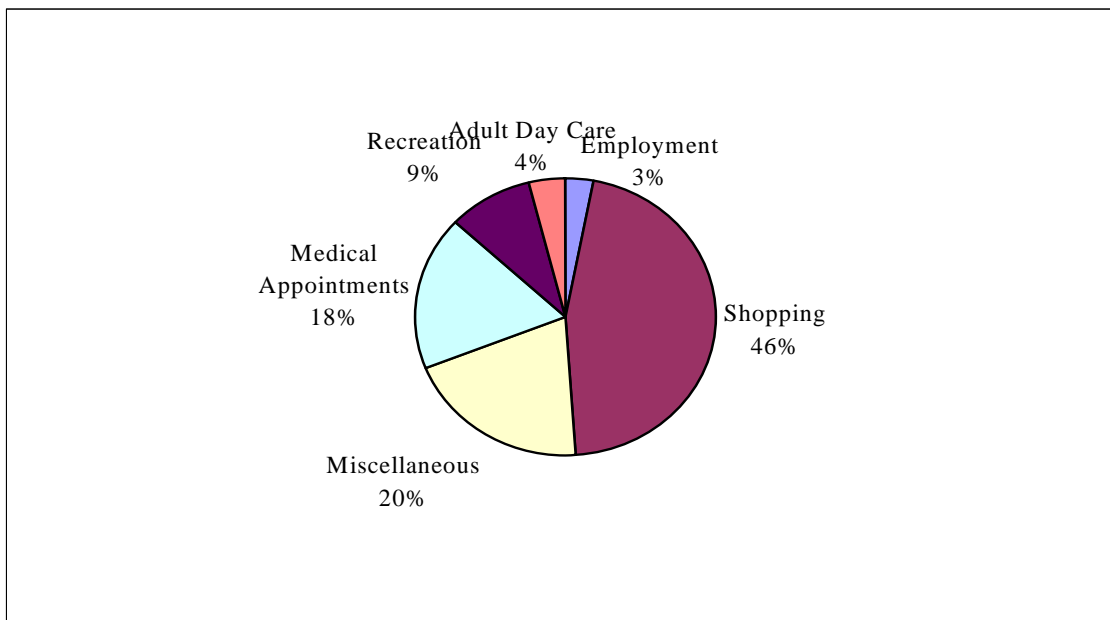
average number of hours. Prior to this year, health education services were provided through an interlocal agreement with the Township of Randolph. Much of the work of this independent contractor is coordinated through the health clinics.

### **Dial-A-Ride**

The department provides door-to-door transportation services to senior citizens age 55 years and over and disabled residents to township facilities, medical appointments, and local shopping areas. Two full-time omnibus drivers, one part-time omnibus driver and one part-time substitute omnibus driver provide this service. Three 16-passenger buses operate Monday through Friday between 8:30 a.m. until 2:30 p.m. No service is provided on weekends or holidays.

In 1999, the cost of the dial-a-ride service was \$76,163, which was offset by a \$20,000 grant from the Morris County Area Paratransit System. The total cost to the township was \$56,163 in 1999. In 1999, the dial-a-ride program provided 23,276 trips to 2,959 participants and traveled 84,714 miles. The average cost per trip was \$3.28 or \$.92 per mile. This does not include the annual cost of maintaining the vehicles.

At the time of our review, the demand for transportation services was increasing. From January, 1999 to December, 1999, the number of trips per month increased from 1,694 to 2,118 and the number of riders per month increased from 190 to 270 in December. The pie chart below shows a breakdown of trips. About 75% of the shopping trips were for food shopping. Miscellaneous trips include trips to the hair salon, the health center, or to a special event of some kind.



During a ride on one of the buses, LGBR witnessed one of the residents actually offering to donate \$1 in appreciation of the service. The driver indicated that she was unable to take the money. LGBR believes this is a clear indication that some of the residents using the service would be willing to donate some amount to offset the cost of the service.

The township should consider also soliciting donations from the commercial destinations of the transportation routes such as the supermarkets, shopping centers, doctors' offices, and occupational centers. These businesses gain a direct and significant benefit from the township's transportation services. The local chamber of commerce might be helpful with a partnership. It is suggested the township attorney review any donation arrangements for compliance with applicable regulations.

**Recommendation:**

**It is recommended that the township should consider soliciting donations (non-mandatory) to the dial-a-ride service from both riders and the food markets, shopping centers and medical offices. If each rider paid a dollar per trip, the township would realize up to \$23,000, based upon the 23,276 trips in 1999. Assuming half of the riders contribute a \$1 suggested donation, the township would receive an additional \$11,500 in revenue plus any revenue received from local businesses.**

**Revenue Enhancement: \$11,500**

**Day Care**

The township provides an annual appropriation of \$15,000 to one of the township day care centers. The amount received from the township is reportedly used to make capital improvements to the facility. The township owns the property and lease it to the non-profit center for \$1 per year.

The Jefferson Child Care Center had a capacity of 53 children at the time of our review. The center had an enrollment of 43 children in 1999. There are 25 children enrolled in the program are from low-income families that are subsidized by the State Division of Family Development. The center reportedly operated under a \$700,000 annual budget in 1999. Tuition payments represent 62% of the revenue to support operations. The center also receives tuition payment amounts for several different programs other than the basic preschool. Other programs include a before and after school program, a summer program and a kindergarten program.

There are a least three other day care centers in the township, none of which receive any assistance from the township. The team talked with the Morris County Community Development program about whether the appropriation and use of the \$15,000 could be funded out of the county community development block grant program. Program administrators agreed that the center was eligible for community development funds and should be encouraged to make application.

**Recommendation:**

**It is recommended that the township make application to the county for the \$15,000 appropriation currently being given to the Jefferson Childcare Center.**

**Cost Savings: \$15,000**

## **LIBRARY**

At the time of review, the Jefferson Township Library was an association library, which operates like a nonprofit with a board of trustees elected from the general membership. Members of the association are cardholders (residents with library cards). Trustee positions are three-year staggered positions with elections every January.

The November, 2000, General Election had a referendum question asking the township's voters whether the library should become a municipal library. The referendum was approved and the library became a municipal library, effective January 1, 2001.

According to State library officials, there are a total of 315 libraries in the State of New Jersey. Of these 233 are municipal libraries, 14 are county libraries, 6 joint libraries, and 62 association libraries. Association libraries are generally among the poorest libraries in the State because they rely heavily on fund raising efforts.

Overall, the library has made the most of the resources available to it as well as aggressively sought out resources for its benefit.

### **Organization**

As an association library, the trustees set the goals and objectives, create policy and hire a library director. The library director is responsible for carrying out the policy and objectives set forth by the board of trustees and managing the day-to-day operations of the library.

As a municipal library, the board of trustees shall consist of the mayor, the superintendent of schools, and five to seven citizens appointed by the mayor.

### **Funding**

The township provided the library with a contribution of \$271,000 and \$297,000 in 1999 and 2000, respectively. The township also provided the library with approximately \$90,000 in contributory services such as maintenance, utilities and other support services. Thus, the township provided approximately \$387,000 to support the library.

As an association library, the township was not required to provide the library with any funding. As a municipal library, the township must comply with funding guidelines set forth in State statutes.

According to N.J.S.A. 40:54-8, municipalities must fund municipal libraries a sum of one-third of a mill on every dollar of assessable property based on the equalized valuation.

According to 1999 tax information, the one-third of a mill funding level would be approximately \$430,000 for 2001. Based upon the support of \$387,00 by the township in 1999, the Jefferson library is within approximately \$43,000 of the one-third of a mill municipal funding. Thus, the conversion from association library to municipal library should be less dramatic for the Jefferson library than for other libraries that has had similar conversions. Homes in the \$120,000 to \$180,000 range will see a tax bill increase of \$4-\$6.

As a municipal library, there will be a steady funding level to deliver library services to Jefferson residents. As an association library, there is a level of uncertainty as to how much the funding the library will receive from the township. Below is a chart showing the annual contribution to the library from the township. Contributory services are not included in these figures.

|                       | <u>1995</u> | <u>1996</u> | <u>1997</u> | <u>1998</u> | <u>1999</u> | <u>2000</u> |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Township Contribution | \$145,500   | \$160,000   | \$160,000   | \$241,400   | \$270,550   | \$297,633   |

### **Staffing**

The library, which is headed by a library director, has a staff consisting of four full-time employees, eight part-time and two volunteers from Friends of the Library. One of the volunteers has a Master of Library Science.

The library also benefits from community service workers that weed, dust and vacuum. Scouting clubs assist with the summer reading programs by reading to younger children.

The director, who was hired in 1996, spends most of the time dealing with administrative, budget, and personnel issues as well as public relations and communication issues with other groups, such as officials with the township and board of education. The remainder of the director's time is spent on librarian duties, such as reference work and story hour.

The township had designated the library director as a temporary civil service employee so that he was eligible for full health care coverage. With the passing of the referendum, the staff is eligible to enroll in the State benefits and group policies.

As a municipal library, library staff and volunteers can devote more time to library operations and less time to fundraising efforts. The library can make better use of its time by engaging in long range planning and capital projects and according to the director, maintain the level of service already established.

In order to receive state aid, the library needs to have a second librarian with a master in library science when the population exceeds 20,000. Although the library has a volunteer with those credentials, the library administration may have to consider formalizing this position. The estimated population is 19,284.

### **Shared Services**

The library is a member of the Morris County Library Consortium. The consortium consists of 32 libraries and provides inter-library loans, a database and saves the township significant costs to provide resources to its residents.

In order to be eligible for the consortium, the library had to have a certain level of automation or technology use. When the director took over the township library they had one computer. The director was able to acquire "hand me down" computers from municipal departments to meet the consortium requirements and still significantly upgrade the level of technology for the library.

**The library is commended for participating in the county consortium, which permits Jefferson residents to utilize the vast resources of the consortium.**

There is often little cooperation between public libraries and school libraries because they see view each other as competition and not complements. The Jefferson library director would like to see the town and the school libraries work together and share services that would enhance the resources available to the school age youth of the community.

The township should consider forming a committee comprised of municipal and school officials in an effort to identify and promote cooperative efforts between the township and school libraries.

### **Recommendation:**

**It is recommended that the township should consider forming a committee comprised of municipal and school officials in an effort to identify and promote cooperative efforts between the township and school libraries.**

### **Technology**

The library currently has 17 computers, but had only one when the director was hired approximately four years ago.

The library has also developed a web page and linked it to some of the townships code pages and information on pet licenses. The director spends approximately 3-5 hours per week maintaining the township's website. Approximately \$20 per month is paid to a vendor for hosting the website on its server.

The director's willingness to acquire computers and other technology has allowed the library to have a stronger technology presence, held their place in the consortium, provided more Internet access to its patrons.

These technology improvements also allowed the library to gain access to the technology from the State Library. In 1999, the director got a grant from the State Library to network the printers, which significantly cut costs for toner and it allows the library to monitor pages printed. Patrons can print up to 10 pages free from the computer terminals and must then pay 10 cents for every page thereafter.

**The library is commended for upgrading its level of technology to provide more resources at minimal costs to Jefferson residents.**

### **Operating Budget and Expenses**

In 1999, the library operating budget was \$263,000 plus contributory services from the township. Personnel costs account for 60% of the budget and 25% for books and 15% for programs.

### **Capital Improvements**

While the library and township coordinate general maintenance of the library well, there are some problems addressing larger capital improvements such as facility repairs. Specifically, there were recent problems with the library's roof and HVAC system.



Often repairs are not funded and made until there is a crisis. For example, it took five years of reporting HVAC problems before it finally broke beyond repair and was replaced. After suffering through a sweltering summer and receiving the air conditioning unit in June of 1999 it was hooked up on Labor Day in September of that year.

During the team's review, there was a blue tarp covering the stacks in one section of the library to protect the books from water damage from a leak in the roof. The roof has been leaking for four years. The township has spent money on repairs with several roofers, but to no avail.

The specific problem seems to be that there is no formal structure for reporting maintenance problems and no systematic method for prioritizing the problems once reported. The director would like to see a long range planning committee independent of the departments that would meet throughout the year and make recommendations to the council on capital projects. The Township of Montclair has a capital review committee, which has worked well for that community.

### **Recommendations:**

**It is recommended that the township consider addressing the long-range capital needs of the library and implements a system for determining the need and priority of capital projects is considered. A committee could be formed to review and prioritize the capital needs of the library and all township facilities.**

### **Friends of the Library**

Friends of the Library have been supportive of the association library and have volunteered their time to improve the services of the library throughout the years. Recently, they were able to provide the funds to re-carpet the multi purpose room.

Many municipal libraries have Friends of the Library, which are active and help their library to deliver a high level of services to its residents.

**The Friends of the Library are commended for years of support to the Jefferson library and are urged to continue this support.**

### **Collection/Circulation**

Residents enjoy a collection of books including best sellers, large print books, books on tape, videos, music compact disks (CD), CD-ROMS, paperbacks, and popular magazines. Approximately 70% of Jefferson residents are cardholders.

In 1999, the total circulation was 72,000. The circulation per capita, based upon the 1999 population estimate of 19,284, was approximately four. The state average for municipal libraries is approximately six. The library owns approximately 42,000 volumes. In 1999, the circulation per volume was approximately 1.7, while the state average for municipal libraries is 1.6 per volume.

## **WELFARE**

The township operates a part-time office that is open three days per week. According to the municipal codebook the division of welfare is part of the department of health and welfare, but actually functions independently.

### **Staffing**

A part-time director whose primary responsibility is to respond to the needs of residents requiring public assistance staffs this office. The Local Assistance Board appoints the director.

### **Functions**

Duties of the director include:

- 1) administering laws and ordinances relating to relief of the needy, including furnishing of all forms of public assistance to needy persons who are eligible for assistance by law through county and state agencies;
- 2) provide for shelter and custodial care to dependent and homeless persons;
- 3) enter into and perform cooperative agreements with the voluntary charitable organizations and services;
- 4) provided related social services, such as domestic relations counseling, investigation of paternity cases, indigent burials and other public welfare activities;
- 5) cooperate with other public agencies and institutions and with voluntary institutions in the certification of medically indigent patients for care and treatment; and
- 6) maintain complete social case records, comply with all state regulations and make such reports or analyses of welfare problems and grants as are necessary or desirable.

In addition, the part-time director coordinates 13 to 15 people who participate in the share program. The share program is a self help and resource exchange program that requires two hours of community service once a month from its participants in order to qualify for \$30 to \$35 worth of food at a cost of only \$14. Department of Public Works employees go into Newark to pickup the food each month for distribution to program participants. The two hours of community service required to be performed by program participants are usually a result of volunteer work not related to municipal operations.

### **Recommendation:**

**It is recommended that the township consider requiring the two hours or community service be something related to municipal government operations such as the dog census.**

### **Local Assistance Board**

The local assistance board is a three-member board appointed by the mayor with the advice and consent of the council. The board heads the division and is required to meet bimonthly or more frequently if necessary. A review of the board minutes suggests that the board receive reports from the director on the activity surrounding welfare cases in the township.

**Financial**

The division expended \$18,304 in salaries and \$601 in other expenses in 1999. The fully loaded salary costs were \$20,600 and the office recorded an additional \$27 in overtime costs for this period.

Our examination of the PATF 1 and 2 accounts showed the township had an ending balance of \$21,474 as of December 31, 1999. The PATF 1 account had a balance of \$6,473 and the PATF 2 account had a balance of \$15,001. The balance in the PATF 1 account continued at \$6,473 at the time of our review. The PATF 2 account balance was reduced to \$7,612 at the time of our review. The program no longer uses the PATF 1 account. It is not clear why the township continues to maintain the PATF 1 account, which, is no longer useful to the program.

**Recommendation:**

**It is recommended that the township should do what is necessary to make these funds available and eliminate this account.**

**Revenue Enhancement: \$6,473**

**Workload**

In 1999, the township handled a total of 84 cases. They opened 17 cases and closed 21 cases. Of the total number of cases handled, the township had 41 employable clients and 43 unemployable clients. In the average month, seven cases were handled, one case was opened and two cases were closed. During the first 4 months of the year 2000, the average number of cases handled was six. It appears that the caseload was decreasing at the time of our review. We estimate a per case cost of \$252 annually.

Work First New Jersey regulations allows each municipality to continue to administer and fund administration of the general assistance program or to transfer administration of the program and the cost of administration to the county welfare agency. The township decided to continue to operate its own welfare offices, primarily, because transportation was a problem for its recipients to get from the township into Morristown to receive benefits. The township could use its dial a ride service to address the transportation concerns.

**Recommendation:**

**It is recommended that the township reconsider its decision to maintain its own welfare program and transfer the welfare program to the county. Potential clients could use the township dial a ride service to get to county offices to receive benefits.**

**Cost Savings: \$21,201**

**SENIOR SERVICES**

The Township of Jefferson provides a variety of services to its senior citizen community, many of which are at the township's senior center in Milton. There are two active senior groups: the

Milton Golden Age club who are the primary users of the senior center building and the Lakeland Senior Citizen Club from the Lake Hopatcong area, which runs bus trips and luncheons.

### **Facilities**

The township's senior center, located on Schoolhouse Road, is a bright, cheerful, building with an immaculate interior. It was once used as a one-room schoolhouse, which many of the seniors attended as school children.

The acquisition of this building from the board of education for \$40,000 meets the needs for a meeting place for Jefferson's active senior population.

Seniors cited the lack of parking at the Senior Center during events as a minor problem. Due to parking constraints, the number of tickets sold for an event must be limited to 100. Additional space acquisition is not viewed as an urgent matter at this time.

### **Staffing**

Since its opening, the senior center has been guided by a volunteer director and an internal board of directors. It operates as a nonprofit organization and has no paid staff. Volunteers fill a variety of positions.

The township does not provide any staff for its senior programs and services, except for the Dial-A-Ride program, which is addressed in the health section of this report. All other senior programs and services are staffed with volunteers.

### **Services**

The senior center provides a place for seniors to meet on a daily basis, in addition to various social activities. It also provides a place for agencies and clubs to operate.

Some of the programs offered through these agencies are: the retired and senior volunteer program (RSVP), which checks on homebound seniors; the senior health insurance program (SHIP), which provides Medicare counseling; the Nutrition Program of Morris County, which serves lunch to 30-50 seniors daily for a \$1.50 donation; Meals-On-Wheels, which serves 50 homebound seniors; and income tax counseling.

At the time of our review, the center operated Monday through Friday with programs and activities. The center wishes to provide movies on Saturdays but needs a volunteer to pick-up and return the videos. During the summer, the center discontinues the computer classes that they offer the rest of the year; they will resume in the fall. The Milton Golden Age Club organizes dances and other events. Volunteers also teach the arts and crafts programs.

The monthly calendar is printed listing the menu for the month and the activities for the month at the Jefferson Center as well as other "Friendship Centers" in the surrounding areas.

Many seniors rely on Dial-A-Ride to get them to the center, as well as doctor appointments, the pharmacy and the grocery store.

### **Senior Housing**

The director and board member who the review team interviewed who listed the number one issue facing the senior community is the lack of low to moderate income affordable housing. Several of the seniors are active in keeping the progress on the issue moving. They have actively searched for possible sites, are making a calendar of target dates for reports, devising Request for Qualifications (RFQ), Request for Proposals (RFP) and are hoping to have housing that meets Mt. Laurel/COAH by 2002. Stating that 40 seniors have passed away in four years, they feel this is an issue that cannot be postponed. The vision for the proposed building is approximately 40-60 apartments of 600 square feet each. They would like to keep the building under three stories because of the numerous power outages in the area.

### **Financial**

The senior center is nearly self-supporting. Fees are charged for programs to offset the costs of these programs. It raises the money for events such as dances from ticket sales, bingo and other activities. It took the center five years to accumulate approximately \$6,000 in its treasury from the activities of the members.

In 1999, the township budgeted \$15,000 for donations to the two senior citizen groups. The Milton Golden Age club and The Lakeland Senior Citizen Club each received \$7,500.

In 1999, the township also paid approximately \$4,650 for painting, repairs and supplies at the senior center. The township pays all utilities such as electric and fuel bills.

**The township and its senior community are commended for providing many valuable programs to senior citizens at a low cost to the township and its taxpayers. Many volunteers donate their time and energy for the benefit of the entire senior community.**

## **RECREATION**

At the time of our review, the recreation office was at the beginning of major organizational changes to its operations. The township recreation programs have operated by a combination of private nonprofit organizations and the recreation office in the township. Under this arrangement, the responsibility of registering participants and scheduling facilities is vested in many private organizations.

### **Staffing**

At the time of our review, the township had just hired a full-time recreation director. Prior to having a full-time director, the recreation office was staffed by a full-time maintenance person who took on some of the duties of a director. The department also has a part-time secretary who is responsible for maintaining records and assisting the director as needed.

A full-time crew of three public works laborers and a part-time crew, two public works laborers maintain township recreational facilities. These laborers are actually considered part of the department of public works.

There are also a number of part-time and seasonal positions including two recreation leader positions who coordinate programs with the private organizations throughout the township, seven swim instructors who run the swim programs, and one recreation aide who works at the skate park in the recently acquired Camp Jefferson.

### **Organization**

The department is established by ordinance and is authorized to:

- administer and operate municipal playgrounds and play fields and facilities for indoor and outdoor sports, athletics and recreational programs for children and adults;
- sponsor and administer cultural and recreational programs and activities in cooperation with other public and private agencies and organizations;
- use DPW with respect to the maintenance and repair of public buildings and grounds used, controlled or managed by the department for recreational purposes;
- appoint an assistant director from each recreational organization recognized by the recreational advisory committee; and
- adopt rules and regulations for the safety and conduct of persons using recreational facilities and for the preservation of the peace and order of public events.

A nine-member recreational advisory committee is also established by ordinance for the purpose of assisting the department in the planning and development of public recreational programs, areas and facilities and to promote optimum coordination of public and other recreational facilities within the township.

### **Facilities**

The township has eight outdoor fields that are used for recreation programs and a number of facilities that have child playground facilities. The township had also recently purchased Camp Jefferson at the time of our review. In addition township recreational programs are conducted using certain school facilities. Scheduling of the facilities was an issue that the new director was working to resolve. The purchase of Camp Jefferson has allowed the township to develop a skate park and provided additional space for the storage of facilities for recreational programs.

### **Programs**

At the time of our review, the township listed 13 township sponsored recreational programs. These programs included basketball, baseball, wrestling, cheerleading, football, ice hockey, swimming, volleyball, tennis and roller hockey.

Independent groups and organizations run all programs except for the swimming program. These groups and organizations take registration fees and manage the programs. They coordinate with the township for the use of township facilities and will make requests to the township to provide equipment for various programs. These private organizations consist of dedicated volunteers who manage and operate various recreation programs.

**The township and its volunteers are commended for administering recreation programs with minimal personnel costs.**

At the time of our review, the new director was developing a strategy to make the private organizations more accountable of the resources provided by the township. There was no accounting for equipment purchases or registrations by the township from private organizations. Therefore, the team could not develop an analysis of the percentage of fees to offset total costs.

### **Recommendations:**

**It recommended that the township consider requesting that private organizations submit annual reports of participation levels and the status of equipment to allow the full-time director to better manage the department's resources.**

**At the time of our review, it appeared that the new director was developing a good strategy to administer recreation programs. It is recommended that the township and the private organizations continue its cooperative arrangement, which provides cost effective recreation programs. The recreation director should establish a list of goals and projects for the recreation department.**

### **Financial**

In 1999, the department reported total expenditures of \$137,874 including \$33,814 in salary and wages and \$104,060 in other expenses. In 1999, no recreation staff members received health benefits.

In addition, the recreation budget is supplemented by public works which provides an estimated \$74,645 in salaries and benefits to staff the maintenance crew for the department.

Additional funds are collected by private organizations for programs sponsored by those organizations. The township also has a recreation trust fund, which is authorized to be used for maintaining township recreation facilities. The recreation trust contributed \$117,000 to the operation of recreational facilities in Jefferson Township in 1999. Funds from the trust were used for a variety of purposes including land purchase and purchase of various materials and supplies to help maintain township recreational facilities. The township also has an open space trust fund, which was used in combination with Green Acres funds to purchase Camp Jefferson.

In 1999, the total expenditures for recreation services and programs were \$329,519.

While recreation is a popular municipal service, public discussions should take place as to whether or not this service should be supported financially in whole or in part by the taxpayers. LGBR, in past reports, has used a standard for municipalities to cover 50% of the cost of recreation programs through user fees.

When determining the fee amount, it is important to include all direct and indirect costs associated with the program. The township should be sure to include: administrative salaries and benefits associated with each program, labor costs and materials for field maintenance including DPW staff, and utilities.

The township and the private recreation groups should monitor all programs for participation levels and type of program and comprehensively discuss the implementation of a fee schedule, which would provide an adequate funding mix of user fees and property taxes. Currently, the township does collect fees for the swimming programs, but there were no records on the number of participants or the amount of fees collected.

**Recommendation:**

**Understanding the philosophical differences surrounding fee based and non-fee based programs, it is recommended that the township develop a policy regarding the amount of tax subsidy that the township deems appropriate for recreation activities. We suggest that an average 50% rate of subsidy, which would result in an additional \$164,759 in revenue based upon 1999 figures, would not be an unreasonable goal. Fees, where appropriate, should be reviewed and updated on a periodic basis based on the cost of the service. Programs that reach a broader, less defined audience might remain free of charge since they are open to and of potential interest to *all* residents, not just a specific subgroup of users.**

**Revenue Enhancement: \$164,759**



### III. COLLECTIVE BARGAINING ISSUES

An area that frequently presents significant opportunities for savings is negotiated contracts. While they represent opportunities for savings, the savings and contract improvements are most likely to occur incrementally, through a well-conceived process of redeveloping compensation packages to be equitable and comprehensive. For this reason we present those issues subject to collective bargaining agreements separately in this section.

This section attempts to identify various contractual provisions and their associated costs. At the very least, management should consider bringing these recommendations to the bargaining table. Just as the provisions in the existing contracts did not occur at once, LGBR realizes that the modification or elimination of certain provisions will not occur at once either. It is recommended the township commit to removing some of the costly provisions from the contracts to restore effective controls over personnel costs.

The Township of Jefferson currently has four collective bargaining units: a Police Benevolent Association (PBA), two unions affiliated with the International Union Of Production, and a New Jersey Civil Service Association.

The township's collective bargaining agreements are outlined below:

| Union  | Employees Group                                       | No. of Members | Length of Contract |
|--|---|----------------|--------------------|
| PBA, Local 190   | Patrolmen, Sergeants & Lieutenants                    | 38             | 1/1/97-12/31/99    |
| Local 911, International Union of Production (Blue Collar Unit)  | DPW Employees, Recreation Maintenance & Animal Warden | 33             | 11/1/97 - 12/31/00 |
| Local 911, International Union of Production (White Collar Unit) | Clerical & Professional Staff                         | 19             | 1/1/97 - 12/31/99  |
| NJ Civil Service Assn. Morris Council No. 6                      | DPW Foremen   | 2              | 1/1/97 - 12/31/99  |

#### **Negotiation Process**

Two council members handle contract negotiations. Labor attorneys are generally not used except to review the contract after the terms have been agreed upon. The township administrator, township clerk, and chief financial officer have a very limited role in this process. In many municipalities, these key staff members are part of the negotiation team. These key staff members are usually more aware of the operational and financial impact contract provisions have upon the township.

#### **Recommendation:**

**It is recommended that the township consider restructuring its contract negotiation process to include the township administrator, township clerk and chief financial officer as part of the negotiation team.**

Each contract was reviewed in detail with a variety of findings and recommendations that cross individual contract lines. Several contract provisions appear to be generous when compared to other public sector contracts.

### **Vacation**

Members of the PBA, Blue Collar and White Collar units receive the same vacation allotment which results in a total of 478 vacation days over a 25 year period. The DPW foremen receive 471 vacation days over 25 years.

In comparison, State of New Jersey employees, over a 25-year career, receive 450 days or 28 days less than most Jefferson employees. This averages to approximately one extra vacation day per year. By reducing the vacation allotment by one day per year, the township would receive a productivity enhancement of approximately \$16,000. This is based upon the total salary for full-time employees in 1999 (\$4.2 million) divided by 260 annual workdays.

### **Recommendation:**

**It is recommended that the township negotiate to restructure the vacation allotment similar to State of New Jersey employees.**

**Potential Productivity Enhancement: \$16,000**

### **Longevity**

In 1992, the township eliminated longevity benefits for new hires in all unions except members of the PBA. Full-time employees of the white collar, blue collar, and foreman units, hired after the cut-off date specified in each of the labor contracts, do not receive longevity benefits. Full-time employees of the three township unions, hired prior to the cut-off date(s), are grandfathered and receive longevity benefits. The maximum longevity amount is “capped” at a flat dollar amount for each union, rather than a percentage based longevity which automatically increases as salaries increase. The chart below shows the maximum longevity payments for 1999.

|                       | <u><b>1999</b></u> |
|-----------------------|--------------------|
| <b>PBA</b>            | \$1,375            |
| Years 15-17           | \$1,675            |
| Years 18+             | \$1,875            |
| <b>Blue Collar</b>    | \$1,375            |
| <b>White Collar</b>   | \$1,475            |
| <b>Foremen's Unit</b> | \$1,500            |

In 1999, the township paid longevity payments totaling approximately \$83,354 to 59 employees.

### **Recommendation:**

**The township is commended for the eliminating the longevity benefit for new hires with the white collar, blue collar and foremen's units. We further commend the township for capping the maximum longevity payments. It is recommended the township negotiate to eliminate longevity benefits for new hires of the PBA.**

## Holidays

In general, union employees receive 14 holidays each year. Each union receives a different set of fourteen holidays. For example, the blue collar union and the foreman union receive Election Day, Veteran's day, Christmas Eve, and New Years Eve as a holidays, while the white collar unit does not. The white collar union receives Washington's Birthday, the day after Christmas and two floating holidays, while the blue collar union and the foremen union do not. The number of holidays is consistent with State of New Jersey holidays. Below is a chart outlining the different holidays received:

|                               | <b>PBA</b> | <b>Blue</b> | <b>Foremen</b> | <b>White</b> |
|-------------------------------|------------|-------------|----------------|--------------|
| New Year's Day                | X          | X           | X              | X            |
| Martin Luther King's Birthday | X          |             |                |              |
| Lincoln's Birthday            | X          |             |                |              |
| Washington's Birthday         | X          |             |                | X            |
| Good Friday                   | X          | X           | X              | X            |
| Memorial Day                  | X          | X           | X              | X            |
| Independence Day              | X          | X           | X              | X            |
| Labor Day                     | X          | X           | X              | X            |
| Columbus Day                  | X          | X           | X              | X            |
| Election Day                  | X          | X           | X              |              |
| Veteran's Day                 | X          | X           | X              |              |
| Thanksgiving Day              | X          | X           | X              | X            |
| Day After Thanksgiving        | X          | X           | X              | X            |
| Christmas Eve                 |            | X           | X              |              |
| Christmas Day                 | X          | X           | X              | X            |
| Day After Christmas           |            |             |                | X            |
| New Year's Eve                |            | X           | X              |              |
| Employee's Birthday           |            | X           | X              | X            |
| Floating Holidays*            |            |             |                | X            |

\*Two floating holidays are received each year.

## Clothing Allowance

PBA members are entitled to \$950 per year for the purchase of police uniforms, equipment and maintenance. \$500 of \$950 is paid directly to the officer in two equal payments on January 1<sup>st</sup> and July 1<sup>st</sup>. The \$450 balance is for uniform maintenance and is maintained in an account administered by the chief of police. PBA members or uniform vendors present receipts for reimbursement.

According to the PBA contract, the township also agrees to replace the loss of uniforms in the line of duty at the township's expense. In 2000, the actual cost for uniform replacement totaled \$21,160. An additional \$18,356 was paid to the officers directly per the above terms. It appears that average cost per uniformed officer slightly exceeded the \$950 limit in the contract. According to township officials, some 1999 uniform cost may have been included in these figures.

The township could implement a "Quartermaster" or replacement system similar to that used by the New Jersey State Police. The "Quartermaster" system provides for the issuance of

replacement clothing only, as needed. For example, a replacement shirt is provided upon the surrender of a worn or torn shirt. That is, an old piece of uniform must be turned in to receive a new piece of uniform. Jefferson could also solicit bid or quotes from local cleaners to clean all police uniforms.

A municipality recently reviewed by LGBR has a quartermaster system and contracts for the cleaning of uniforms and the average uniform cost per uniformed officer is approximately \$411. The state police's costs are \$350 per officer. Based upon the 34 uniformed Jefferson officers, the township would spend approximately \$13,974 under a modified uniform plan, based upon \$411 per officer. Based upon the terms of the contract, \$950 for each of the uniformed officers costs the township approximately \$36,100.

### **Recommendation:**

**It is recommended that the township negotiate a modification to a quartermaster or replacement system for police uniforms and contract the cleaning of uniforms.**

**Potential Cost Savings: \$22,126**

Members of blue collar unit and foremen's unit are supplied with uniforms by the township. According to the contracts, the township will provide for the cleaning and maintenance of uniforms. After the initial issue, replacement will only be made if the old uniform is returned.

**The township is commended for its replacement program for DPW employees.**

Members of white collar, blue collar unit and foremen's unit required to wear safety shoes shall be reimbursed for the purchase of safety shoes up to a maximum of \$95 for the white collar and foremen's unit and \$125 for the blue collar unit. Members present receipts for reimbursement. In 1999, the cost for the shoe allowance was \$1,518 per person.

### **Body Armor**

Every five years, each officer is entitled to the reimbursement of up to \$650 for the purchase of approved body armor. Officers must submit receipts of purchase for reimbursement.

In 1997, the Division of Criminal Justice instituted the Body Armor Replacement Program. One dollar from certain traffic tickets is collected by the State and funds are distributed back to municipalities to fund the purchase of bulletproof vests.

Each municipality that submits a grant application can receive annual funds to purchase vests for one-fifth of their complement of full-time, sworn officers, if enough funds are available. Each municipality is guaranteed to receive at least \$500.

In its 2000 budget, Jefferson anticipated \$3,087 as revenue from the Body Armor Replacement Program. In 2000, the township paid \$3,846 to officers for replacement of body armor. It is believed that the Body Armor Replacement Program should cover the costs to replace one-fifth of the vests each year.

**Recommendation:**

**The township is commended for utilizing the Body Armor Replacement Program and it is recommended that the township consider modifying the body armor provision in the contract. The township should attempt to replace vests solely through the Body Armor Replacement Program.**

**Sick Leave/Terminal Leave**

PBA members receive 15 days or 120 hours of sick leave. Upon termination of employment, officers with at least five years service shall be paid one hour's pay for every two hours of accumulated sick time. The maximum payment shall be 1,040 hours times the officer's base hourly rate. One thousand and forty hours is approximately six months.

White and blue collar units also receive 15 days of sick leave. Upon termination of employment, employees with at least 15 years service shall be paid one hour's pay for every two hours of accumulated sick time. The maximum payment shall up to six months pay.

Foremen receive 15 days of sick leave. Upon termination of employment, foremen shall be paid one hour's pay for every two hours of accumulated sick time. The maximum payment shall be 1,040 hours.

The State of New Jersey has a limit on sick leave payouts of \$15,000 for all state employees. Many municipalities have also adopted a sick leave cap of \$15,000. A number of retired Jefferson employees have received payouts in excess \$15,000.

**Recommendation:**

**It is recommended that the township negotiate a sick leave payout cap used by the State of no more than \$15,000 per retiree.**

According to the PBA contract, police officers are also entitled to use up to 24 hours or three days of sick leave as personal time. The use of personal sick time requires a minimum of twelve hours notice and approval from the chief of police or designee. Essentially these days are personal leave days. Other township employees do not receive any personal leave days. The value of the three days or 24 hours is approximately \$20,940, based upon 1999 police salaries.

**Recommendation:**

**It is recommended that the township negotiate to eliminate the use of sick leave as personal time. Elimination of this benefit would produce a productivity enhancement of approximately \$20,940.**

**Potential Productivity Enhancement: \$20,940**

**Tuition Reimbursement**

For the successful completion (grade C or above) of a job-related college-level course, a PBA members is eligible to receive tuition reimbursement to a maximum of \$150 per credit hour. If the township pays for the reimbursement for tuition to the employee, that employee must wait seven years to be eligible to receive college credit benefits for that course.

**The township is commended for instituting a waiting period to receive college credit benefits when the township has also paid for the tuition costs.**

**College Credits**

Police officers are eligible to receive up to \$30 per credit hour up to a 104 credit hour maximum. As an incentive to pursue further education, the township increased the per credit hour reimbursement rate from \$22 to \$30 and also increased the credit hour maximum from 70 to 104, effective January 1, 1997. Employees hired with college credits must have three years of service to receive college credit benefits.

In 1999, the township paid college credit benefits totaling approximately \$31,200 to 20 officers.

Other municipalities require the completion of a degree prior to receiving payment for college credit. Rather than paying for each college credit earned, the township could require the completion of a degree an associates or a bachelor degree before payment is made to the officer. The township should consider paying \$1,800 for the completion of an associate degree and \$3,120 for the completion of a bachelor's degree, which would be consistent with the current per credit formula and the maximum payments.

**Recommendation:**

**It is recommended that the township negotiate to restructure the college credit benefits. This would enhance the incentive to complete degree programs.**

**Educational Assistance**

White collar employees are eligible for tuition reimbursement. Courses must be required or recommended by the employee's department head.

**On-Call Time**

DPW employees assigned to remain on-call or at home, by either the department head or foreman, shall receive \$75 per day compensation. If the on-call employee is called in, a minimum two hours is paid at overtime rate.

#### IV. SHARED SERVICES

Tremendous potential for cost savings and operational efficiencies exists through the implementation of shared, cooperative services between local government entities. In every review, Local Government budget Review strives to identify and quantify the existing and potential efficiencies available through the collaborative efforts of local officials in service delivery in an effort to highlight shared services already in place and opportunities for their implementation.

The township is commended for its initiative to promote shared services within the county and schools and is urged to continue with this forum and to continue to pursue other shared service ventures.

Jefferson is a community with some excellent examples of shared services. As noted in the preceding sections, regionalization and shared services have been aggressively pursued and include:

- Volunteer fire companies provide mutual aid assistance to other border communities.
- Sharing of resources and equipment with other municipalities.
- Joint insurance funds.
- Various county services.
  - Morris County Cooperative Pricing System.
  - County Library Consortium.
- Various school services.
  - Sharing the municipal DPW garage with the school district.
  - Sharing of recreational facilities.

Jefferson has, at times, proposed shared service initiatives with a bordering municipality, but has not been able to implement these initiatives.

**The township is commended for its many shared service initiatives and is urged to continue to seek initiatives with other entities.**

#### **Recommendation:**

**It is suggested that the township form a committee to monitor existing shared services and to further develop shared services with the school districts, the county, and other municipalities. By having the board of education using the municipal garage greatly enhances the opportunities for public works shared services. Opportunities for additional shared services and joint savings include:**

- 1) fleet maintenance (See Public Works Section);**
- 2) computer technology, training and maintenance (See Technology Section);**
- 3) grants (See Grants section);**
- 4) natural gas and electricity purchasing;**
- 5) building maintenance;**
- 6) lawn and field maintenance; and**
- 7) payroll processing.**

Shared services and cooperative agreements should be items for discussion in periodic meetings with municipal and school officials.



## **V. STATUTORY AND REGULATORY REFORM**

The fifth and final section of the report, Statutory and Regulatory Reform, attempts to identify those areas where existing state regulations or statutory mandates are brought to the attention of the LGBR review team by local officials which appear to have an adverse effect on efficient and cost effective local operations. It is common for local officials to attribute high costs and increased taxes to “state mandates.” Each review team is then charged with reporting those areas in this section of the report. The findings summarized below will be reviewed by the appropriate state agency for the purpose of initiating constructive change at the state level.

It is common for local officials to blame tax increases on “state mandates.” Each local budget review team is charged with the responsibility of identifying regulatory or statutory mandates that have an adverse impact on the cost of local government. The findings summarized below will be reviewed by the appropriate state agency for the purpose of initiating constructive change at the state level.

### **School Board Elections**

Township officials would like school board elections to coincide with the general elections in order to offset staffing costs and reduce replication of materials being produced for each election.

### **Residential Site Improvement Standards**

A township official noted at a planning board meeting that the uniform residential site improvements standards does not take into consideration that not all land is flat. In the case of a proposed subdivision in Jefferson, the slope of the land is more than 12%. In this particular subdivision, the standards dictate a cartway of 18 feet with no parking on the roadway. Driveways will be built on steep slopes. During winter icing conditions, the homeowners will not be able to use the driveway and will park on the street.

Even applying the modifications and deviations permitted under the law do not satisfy the board that the new roadway will allow for safe access. Furthermore, the drainage standards cause a downstream impact when all the water on the top of a ridge is required to be directed to one specific detention area. Township officials would like the uniform residential site improvement standards to address steep slopes.

### **UCCAR II Software**

Township officials expressed two criticisms with the UCCAR II software program. First, there is no way to include cents when reporting money collected. The department charges for photocopying and often costs fifty cents. The employee keeps a record of the change collected. When a dollar is earned, it is then reported into the computer system. Second, when searching for a record in the software, the search must begin with the beginning of the alphabet each time. There is no mechanism to “go to” the middle or end of the alphabet. It is reported that the UCCAR II software is better than an earlier version, it never has crashed and backing up information is automatically done at night. Township officials would like to see these two enhancements to the UCCAR II software program.

## **LOCAL GOVERNMENT BUDGET REVIEW ACKNOWLEDGEMENT**

Peter R. Lawrance, Acting State Treasurer

Robert J. Mahon, Director, Local Government Budget Review

JoAnne M. Palmer, Deputy Director, Local Government Budget Review

Anthony Cancro, Acting Director, DCA, Division of Local Government Services

### **Jefferson Township Review Team**

William J. Eagen, Team Leader

Local Government Budget Review

Larry McCormick, Team Member

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Lucy Signura, Division of Taxation

Website address: [www.state.nj.us/lgbr](http://www.state.nj.us/lgbr)

**Township of Jefferson  
ABC Liquor License Fees  
Proposed Increased Schedule**

| <b><u>Club Licenses</u></b> | <b><u>Current Fee</u></b> | <b><u>Year 1</u></b> |
|-----------------------------|---------------------------|----------------------|
| <b>Fee</b>                  | \$50.00                   | \$150.00             |
| <b>No. of Licenses</b>      | 2                         | 2                    |
| <b>Revenue</b>              | \$100.00                  | \$300.00             |

| <b><u>Other Licenses</u></b> | <b><u>Current Fee</u></b> | <b><u>Year 1</u></b> | <b><u>Year 2</u></b> | <b><u>Year 3</u></b> | <b><u>Year 4</u></b> | <b><u>Year 5</u></b> | <b><u>Year 6</u></b> | <b><u>Year 7</u></b> | <b><u>Year 8</u></b> | <b><u>Year 9</u></b> | <b><u>Year 10</u></b> |
|------------------------------|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| <b>Fee</b>                   | \$379                     | \$379.00             | \$454.80             | \$545.76             | \$654.91             | \$785.89             | \$943.07             | \$1,131.69           | \$1,358.03           | \$1,629.63           | \$1,955.56            |
| <b>20 % Increase</b>         |                           | \$75.80              | \$90.96              | \$109.15             | \$130.98             | \$157.18             | \$188.61             | \$226.34             | \$271.61             | \$325.93             | \$44.44               |
| <b>New Fee</b>               | \$379                     | \$454.80             | \$545.76             | \$654.91             | \$785.89             | \$943.07             | \$1,131.69           | \$1,358.03           | \$1,629.63           | \$1,955.56           | \$2,000.00            |

**No. of Licenses** 31

**Additional Revenue** \$2,349.80 \$2,819.76 \$3,383.71 \$4,060.45 \$4,872.55 \$5,847.05 \$7,016.47 \$8,419.76 \$10,103.71 \$1,377.64  
**(31 times 20% inc.)**

**Total Additional Rev.** \$50,250.90  
**(10 Years)**

## Jefferson Photocopier Comparison to State "Cost-Per-Copy" Contract

| Meter Readings | 7/13/2000 | 9/6/2000  | 10/17/2000 | Monthly Avg |
|----------------|-----------|-----------|------------|-------------|
| Main Copier    | 984,520   | 1,036,912 | 1,084,240  | 15,876      |
| Police Copier  | 297,618   | 320,334   | 336,007    | 6,884       |

### Actual Costs: Per Purchase Contract

|                    |             |
|--------------------|-------------|
| Buyout             | \$18,293.00 |
| Purchase machine 1 | \$10,796.50 |
| Purchase machine 2 | \$5,041.45  |
| Cost of copy       | \$10,500.00 |

**Total** **\$44,630.95**

**Annual Life Cost \*** **\$6,375.85**

\* Assumes expected useful life of seven years for copiers

### Projected Costs: Per "Cost-Per-Copy" Contracts

| Location                     | Monthly Allowed Usage | Band # | Minimum Required Copies | No. of Copies Over Min. Req'd | Monthly Cost | Monthly Cost Excess Overage | Monthly Overage Cost | Monthly Payment | Annual Cost       | Life Cost*         |
|------------------------------|-----------------------|--------|-------------------------|-------------------------------|--------------|-----------------------------|----------------------|-----------------|-------------------|--------------------|
| Diagonal from clerk's office | 15,876                | 4      | 12,000                  | 3,876                         | \$166.80     | 0.0139                      | \$53.88              | \$220.68        | \$2,648.12        | \$18,536.82        |
| Police Dept. copy room       | 6,884                 | 2      | 3,500                   | 3,384                         | \$75.25      | 0.0215                      | \$72.76              | \$148.01        | \$1,776.07        | \$12,432.50        |
| <b>Total</b>                 |                       |        |                         |                               |              |                             |                      | <b>\$368.68</b> | <b>\$4,424.19</b> | <b>\$30,969.32</b> |

# Monthly averages show that the Main Copier and the Police Copier would use Band 4 and Band 2, respectively, under the terms of the CPC.

\* Assumes expected useful life of seven years for copiers

### Cost Comparisons

|                                 |                |
|---------------------------------|----------------|
| Actual Annual Costs             | \$6,376        |
| Projected Annual Costs          | \$4,424        |
| <b>Projected Annual Savings</b> | <b>\$1,952</b> |

### Jefferson Staffing Analysis (Police Patrol)

|   |                                |  |
|---|--------------------------------|--|
| <b><u>Officer Availability Based Upon Schedule and Leave:</u></b>   |                                |  |
| Schedule: 4 on - 4 off - 12 hour days   |                                |  |
| # Days In Cycle (4 on 4 off)  | 8                              |  |
| # Hours Worked/Cycle (12*4)   | 48                             |  |
| # Cycles Per Year (365/8)   | 45.63                          | <b><u>Hours Per Week</u></b>             |
| <b>Hours Per Year</b>   | <b>2,190</b>                   | <b>42.12</b>                             |
| <b><u>Hours Not Available To Work:</u></b>  |                                |  |
| -Sick (Uniformed Average = 4 days)  | 48                             |  |
| -Vacation (Patrol Average = 20 days)  | 240                            |  |
| -Personal (3 days)  | 36                             |  |
| -Schedule Adjustment  | 110                            |  |
| -Other (12 days-ex. Compensatory, Training, Injury, Bereavement, Emergency, etc)  | 144                            |  |
| <b>Total Hours Not Available To Work</b>  | <b>578</b>                     |  |
| <b>Officer Availability (2190-578)</b>  | <b>1,612</b>                   | <b>Hours Per Year</b>                    |
| <b><u>Staffing Analysis Method One: Workload (Calls for Service) Method</u></b>   |                                |  |
| Calls for Service Handled   | 15,011                         |  |
| Average Consumed Time per Call  | 0.50                           | Hours                                    |
| -(DCJ Standard for smaller municipalities)  |                                |  |
| Total Hours Consumed by Calls:  | 7,506                          |  |
| Factor Used by IACP to Compensate for Uncounted Administrative Time and Minimum 1/3 Shift Available for Directed Police Activities: | 3                              |  |
| Hours Needed to Cover Calls for Service, Administrative Time and Directed Police Activities:  | 22,517                         |  |
| Average Officer Availability:   | 1,612                          |  |
| <b>Minimum Number of Officers Needed to Deal with the Workload (Calls for Service) in Jefferson):</b>                               | <b>13.97</b>                   |  |
| <b>Current Patrol Staffing (Patrolmen &amp; Corp.)</b>  | <b>22</b>                      |  |
| <b># OF OFFICERS ABOVE STAFFING ANALYSIS:</b>   | <b>8.03</b>                    |  |
| <b><u>Staffing Analysis Method Two: Shifts/Beats Method</u></b>   |                                |  |
|   | <b><u>Majority of Year</u></b> | <b><u>Peak Periods (I.e. Summer)</u></b> |
| -Day Shift Beats (Minimum -- 3 am - 3 pm)   | 2                              | 3  |
| -Evening Shift Beats (Minimum -- 3 pm - 3 am)   | 3                              | 4  |
| -AVG. # Of Beats Per Shift  | 2.50                           | 3.50                                     |
| Hours Needed To Cover Beats   |                                |  |
| (Avg. Beats*12 Hrs.*2 Shifts*365 Days)  | 21,900                         | 30,660                                   |
| <b>Total # of Patrol Officers Required</b>  | <b>13.59</b>                   | <b>19.02</b>                             |
| <b>Current Patrol Staffing (Patrolmen &amp; Corp.)</b>  | <b>22</b>                      | <b>22</b>                                |
| <b># OF OFFICERS ABOVE STAFFING ANALYSIS:</b>   | <b>8.41</b>                    | <b>2.98</b>                              |